UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 41. May 10, 1921.

The first concerted effort to liquidate the South's unsold crop of cotton was made in New York yesterday, when representative bankers and heads of cotton exchanges from southern states met exporters and bankers of New York and officials of the War Finance Corporation and discussed the problem from every angle. Those present said at the conclusion of the day's session that although they had by no means solved the problem, they believed that they had made progress toward moving the dormant crop of 1920, most of it held in warehouses and sheds. In this movement the Government, through the War Finance Corporation, will aid. (N. Y. Times, May 10.)

From the Senate Agriculture committee, Senator Norris yesterday favorably reported the bill to create a Federal livestock commission. (Press of May 10.)

Centralized Creameries

The Creamery Journal for May 1 in an editorial on the cooperative centralizer says in part: "The idea presents an interesting problem of conduct. Just what attitude should the dairy industry, and more particularly the cooperative creameries, take toward such an enterprise? ... Undoubtedly there are many cases where the presence of the central churning plant is a positive menace to local creameries but if a rule is laid down which eliminates them how can it fail to eliminate them in territories where they have a genuine function to perform?"

Compulsory Cream Grading

Referring to a suggestion of J. R. Keithley of Minnesota that legislation might compel not only pasteurization of cream but grading as well, an editorial in The Creamery Journal for May 1 says: "Every buttermaker would welcome such a law and some patrons might look upon grading with less antagonism if they felt that it was a requirement of the civil authority rather than an attempt of the creamery operator to introduce some new 'fad' into the plant."

Cotton

1. That not one cotton mill in ten has made a dollar during the past six months, but, on the contrary, the majority have lost tens of thousands and even hundreds of thousands of dollars, is the statement of leading manufacturers in the Carolinas regarding the reported intention of union officials to call a strike in the southern cotton mills. (Jour. of Commerce, May 9.)

Cotton

2. "Bring the Mills to the Cotton Field," is the title of the fourth in a series of articles by L. L. Fullenbock in Farm and Ranch for May 7. He demonstrates how "the big thing in the cotton proposition is not in raising and gathering it but in manufacturing it." He says: "We have failed to see that cotton is in demand by only a very few people, while cotton converted into goods is in demand by 800,000,000 or more peoples ... There is but one way out of our dilemma, and that is in the cooperative cotton mill. With this one object in view, let the grange, alliance, farmers' bureau talk, discuss and plan intelligently, earnestly and patriotically and ten years from today Texas would be as different as is noonday to a dark and sleety winter night."

3. The Master Cotton Spinners of London have announced a 30 per cent wage reduction, according to New York Daily News Record, May 9.

4. Statistics on the cotton mill industry in India for ten years ending with 1919 have been prepared by the Bombay Millowners' Association and appear in tabulated form in Wall Street Journal for May 9. Although there has been no very great increase in the number of spindles during the 10 - year period and none whatever in the production of yarn, there has been a very considerable increase in the number of looms and the production of cotton cloth.

5. According to statistics compiled by the Chinese Cotton Mill Owners' Association, nearly a million and a half spindles, utilizing over 200,000 tons of cotton per year, constitute the cotton-spinning equipment in China. (Wall St. Jour. May 9.)

Dairy Scholarships

It is the purpose of the Sharples Scholarship, which was awarded to junior girls in 10 of the leading agricultural colleges of the country during the spring of 1920, to not only make a study of production of dairy products and their value as human food but also to equip them to engage in a public service work after graduation that would assist in the education of the American public to the necessity of a greater and more intelligent consumption of all dairy products. (The Creamery Journal, May 1.)

Egg Pool in New Jersey

Product of close to 100,000 New Jersey hens has been pledged by the poultrymen of two of the state's big poultry centers, Toms River and Vineland, in the initial movement for membership of the New Jersey Poultry Producers' Association. (Phila. Ledger, May 10.)

Fruit Growers Cooperating in Southern Illinois

The organization of Southern Illinois fruit and vegetable growers is proceeding rapidly, according to Illinois Agricultural Association Letter No. 51. Union and Pulaski counties, according to late U. S. Census figures, stand first and second, respectively, in Illinois fruit production.

Forests in Municipalities

The American City for April publishes a list of municipal forest holdings in the various states, giving the names of the municipalities with forest holdings in each state, type of area, acreage and other pertinent data in tabulated form.

Farm Bureau Federation

In an editorial on the Farm Bureau Federation, Farm and Ranch for May 7 says: "Should this movement fail through any shortsightedness or incompetency of the leaders it is safe to assume that not another effort will have a chance of success for another quarter of a century. ... The chosen leaders have many problems difficult of solution. It is for them to destroy an old and established system of handling farm products and replace it with new and untried methods, and perform this service without interfering with the sale or distribution of life's necessities. ... It will require time, patience and business ability to accomplish even a small portion of the program within the next few years. ... While the leaders of the Farm Bureau Federation will be held responsible for the conduct of the organization and for the accomplishment of the objects for which the Bureau was brought into being, primarily the responsibility rests upon the individual members, who through their loyalty, watchfulness and cooperation can provide the financial and moral support necessary to final success."

Farm Loan Banks

"The Supreme Court's ruling that has finally been handed down after a year or two in which the farm mortgage bankers got in their work at any old rates should do a lot to put the U. S. farmers on their feet in the present situation. Their loans will do much to help men buy pure bred sires and get their crops in and buildings up, relieving the entire situation all the way round."
(From editorial in The Aberdeen-Angus Journal, May 2.)

Farm Organization Methods

"A Closed Shop for the Farmer?" is the title of an article in The Nation's Business for May, by George W. Alger, who states that "not by legislative favor but by fair play will his new plans for cooperative marketing give him an effective outlet for his products". He says, further: "A wise and statesmanlike policy on the part of the heads of the cooperative movement would have placed in opposition to it only those who profit principally or solely by waste, fraud, extortion, or peculation in the handling of crops or farm produce. The dangers which the leaders of the movement should see, but apparently have not seen, is that of completely antagonizing all other interests in the country."

Flour Trade

While millers in Kansas City and over the Southwest as a whole are experiencing considerable difficulty in effecting sales of flour in domestic channels, a large business is passing for export; local mills are enjoying the greatest foreign demand thus far on the crop. Holland is the heaviest buyer among the foreign nations, though there is a liberal movement to the United Kingdom, also to Germany, Belgium and some of the Mediterranean countries. (Kansas City report to Wall St. Jour., May 9.)

Grain Marketing

"There is nothing radical or unrealizable in the program of the growers. It is a question whether it will pay them to conduct, as they propose, an independent 'market news' bureau which will gather crop and market information from all parts of the world. The idea seems to be that if the farmers can keep this information to themselves they will better be able to govern their sales and obtain the
(Cont'd on page 4.)

Grain Marketing (Cont'd)

best prices for their products. That presumption might be true if such records could be kept secret but history affords no precedent to justify such faith in secrecy. The public generally will know just about as soon as the farmers -- unless the past affords no guide for the future." (From editorial in The Southern Planter, May 1.)

Horse of Heavy Draft

"The Future of the Horse of Heavy Draft," is the title of an article in The Breeder's Gazette for May 5, by Ellis McFarland, Secretary of the Percheron Society of America, who states that changing farming conditions, and the spring business of a pedigree registry association indicate the resumption of draft stock production.

Idaho Butter and Cheese Scoring

Idaho is preparing for a real educational scoring contest this summer. A new feature introduced this year is the triple score, consisting of a commercial score, a composition score, and a keeping quality score. (The Creamery Journal, May 1.)

"Industry" and Agriculture

"Henry Harrison Lewis, publisher of 'Industry', continues to be greatly disturbed over the progress being made by the Farm Bureau and its associated marketing organizations. He seems to be particularly worried over the gathering of a large number of farmer representatives in Washington recently, and to steer them right addressed a long open letter to them in which he gave them much advice. Just why it is proper for every other industry to organize and to send representatives to Washington when legislation of interest to them is pending, and so extremely un-American and dangerous for the farmers to do the same thing, Mr. Lewis fails to say. ... Now if he will say the same thing about the organized steel industries; the packing industry, the organization of railway officials and the various other industrial combines and associations, we will believe that he is not unduly prejudiced against the farmers. All these industries maintain lobbies in Washington and are active during session of Congress." (From editorial in Farm and Ranch, May 7.)

"Lobbydom" at Washington

"The president of the National Farmers' Union, with offices in Washington, has done a meritorious piece of work in compiling for the press his 'Who's Who in Lobbydom at Washington.' As with most pieces of research work, the initial findings are never quite complete, and in this case the author will not lay claim to exhaustive accomplishment. Although he lists fifty or more business association, ... emphasized by its absence is his own farm organization and the four or five others which maintain offices in Washington." (From editorial in The Nation's Business for May.)

Michigan Dairy Industry

Michigan's dairy products on a wholesale sales basis in 1920 represented a value in round numbers of $100,000,000, easily exceeding the value of any other livestock or agricultural product. (The Creamery Journal, May 1.)

North Dakota Rail Rates

North Dakota railroads were ordered yesterday by the Interstate Commerce Commission to advance rates, including freight rates, applying the same percentage increases as were ordered in August by the Commission in the general rate increase. The decision follows similar intrastate cases. (N.Y. Times, May 10.)

Prices

"The men in commercial circles who prognosticate price movements seem inclined to the view that prices may be expected to range about 50 per cent above the 1914 levels. If that is a true prediction it is to be hoped that the reduction from the high levels will be consistent. The present comparatively low leveal of living costs and wholesale rates is caused by the drastic reductions in farm products; the farmers have been the great sufferers. This is an intolerable condition and organized farmers will not long continue to tolerate it. (From editorial in The Southern Planter, May 1.)

Tariff

1. Senator Moses yesterday denounced the Emergency Tariff bill as "a helter-skelter hodge-podge of items forced into it through the power of a voting combination sectional in character and wholly selfish in purpose." He predicted for the measure the reverse that followed the tariff legislation of 1909. (N.Y. Times, May 10.)

2. "L.D. Bowen, of Paris, Texas, hit the nail squarely on the head (at the Mississippi Valley Association convention) when he said that neither long term credits nor short term credits would furnish any relief to the farmer unless there were markets where he could dispose of his wares. ... If we put a tariff bar on what other nations have been shipping to us we need not expect that they will heap coals of fire on our head by opening up their markets to us."
(From editorial in Memphis Commercial Appeal, May 5.)

Warehousing

1. "Cost and Income; and Relation of Car Shortage to Warehouse Facilities" is the title of an article by Wm. J. Barney in Distribution and Warehousing for May. The author's conclusions are as follows: "To sum up the general outlook obtained by this investigation I would say (a) that there is a very definite attempt among warehouse people to place their charges on some scientific and rational basis (b) that there is a decided preference for the reinforced concrete warehouse, and (c) that on the whole the general opinion seems to be that there is no direct relation that can be established in terms of statistics between car shortage and lack of warehouse spacing."

2. "Edge Act Corporations in Relation to Warehousing," is the title of an article by Richard Hoadley Tingley, in Distribution and Warehousing for May. The article links banking with warehousing through the operation of the Edge act corporations now being organized for foreign trade transactions, and accentuates the trend toward modernizing warehousing.

Department of Agriculture

Erection of a memorial in the grounds of the Department of Agriculture to employees of that Department who died in the World War is authorized in a bill introduced in the House yesterday by Representative Gould. The funds to erect this memorial were contributed by the employees of the Department of Agriculture.
(Press of May 10.)

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Vol. 1, no.42. May 11, 1921.

Settlement of the reparations question will have considerable effect on stabilizing economic conditions in America, Secretary Wallace declared at the convention of American Agricultural Editors Association at St. Louis May 10. Lower freight rates on basic commodities and a higher price level than prevailed before the war were recommendations made by the Secretary as means of steadying conditions economically. (Assoc. Press, May 11.)

The War Finance Corporation announced yesterday it is ready to consider plans for cooperation in financing cotton exportation on any one of the three following bases: (1) For prompt shipment against deferred payments. (2) For future shipment within reasonable time against either prompt or deferred payments after arrival in foreign countries, where goods are under definite contract for sale. (3) For prompt shipment to warehouses in foreign distributing points, to be held there for account of American exporters and bankers for marketing out of warehouses. (Press of May 11.)

Fifteen Senators from the West and South, representing agricultural states, yesterday perfected an informal organization for united action on measures affecting farmers and appointed subcommittees on various legislative proposals. Senator Kenyon was selected as chairman. The committees are: Proposed changes in the Federal Reserve Act - Smith, So. Carolina; Gooding, Idaho; Kendrick, Wyoming. Proposals for more adequate warehousing and storage - Norris, Nebraska; Ransdell, La.; Capper, Kas. Transportation matters - LaFollette, Wis.; Fletcher, Fla.; and Shepard, Tex. General Agricultural measures - Ladd, N. Dak.; Heflin, Ala.; Kenyon, Ia. (Press of May 11.)

The issue of Government reports on living costs is expected to be speeded up as a result of arrangements made yesterday between Secretaries Hoover and Davis, on consultation with President Harding. Under the plan agreed upon, the reportswill be issued hereafter by the Department of Commerce, which will use its funds and the force of the Department of Labor. (Press of May 11.)

Business Situation

About 650 Kansas banks replied to questions on conditions in their communities, in financial and trade reviews on the business situation, according to an editorial in Wall Street Journal for May 10. "Most of them asserted that little improvement was probable in mercantile trade until what the farmer buys is available at prices in line with those paid for products. That means that prices of all commodities, labor and services must come to a relative and stable basis. This is fundamental, and any agricultural state would make the same report."

Canada's Butter Exports

In spite of the fact that the butter market here has shown considerable weakness of late, the price of finest creamery butter falling sharply from around 60 cents to 33 cents to 30 cents a pound at wholesale, there does not seem to be much prospect of an export trade in the commodity this year at least. (Jour. of Commerce, May 10. Montreal Dispatch)

Certified Seed Potatoes

"Our potato growers are working in the right direction in giving attention to certified seed stock. New England has great possibilities in producing high grade stock for supplying seed to other sections like the South. As a matter of fact, we are not yet growing anywhere near enough for our own seed stock although the excellent work of farm bureaus is having most favorable results."
(From editorial in New England Homestead for May 7.)

Contracts

"The Need for Signing Contracts," is the title of a comprehensive article by Arthur L. H. Street, in The Northwestern Miller for May 4, which presents the legal necessity for signing contracts in milling transactions, citing many cases to prove his argument.

Dairy Products Tariff

In a resume of the matter prepared by the New England Dairy Tariff Committee for presentation at Washington, the New England Dairyman for May says: "One of the chief claims of the committee will be for the equalization of the duties, so that butter, cream and milk may share equally in tariff protection." A chart shows the trend of butter prices during the past 25 years.

Danish Cheese Industry

In connection with the scheme for providing cheese storehouses in Zealand and the islands to the south of Zealand, and also in Bornholm, it is proposed to erect a storehouse in Soro county at a cost of 1,600,000 kroner. This storehouse would have a capacity of 100,000 cheeses of 25 pounds each. Allowing 3 1/2 months for the cheese to ripen, the annual capacity of the storehouse would be 375,000 cheeses. (Danish Foreign Office Journal for April.)

Farmer as Manufacturer

"We make this prediction - in less than three years there will be at least one and possibly several farmer-owned sugar factories in successful operation in this state. The experience of four years has demonstrated to the farmers that they will get nowhere trying to treat with the corporate interests who now control the Michigan sugar industry. The only way left to get a fair share of the profits of the industry, which the farmers must have to break even, during periods of low prices, is by outright ownership of the factories."
(From editorial in The Michigan Business Farmer for May 7.)

Farm Land Values

"The corn belt farmers, southern planters and livestock breeders have all had a very severe jolt. However, many of them had passed through several years of unusual prosperity and were fairly well prepared for the slump in prices of farm produce, cotton and live stock. The cotton had perhaps received the most severe shaking up of all. ... As to the present land market, I find that improved corn belt farms at from $250 to $700 per acre are slow sale and will be for some time. ... Lands at from $20 to $100 per acre are in demand, but the buyers are more cautious than formerly, and more deliberate in buying." (From letter of F.S. Pentzer to The Economist, May 7.)

Farm Loan Act

The Senate banking committee May 10 rejected unanimously two bills by Senator Smoot to amend the Federal Farm Loan act, one of which required dissolution of joint stock banks within three years and the other proposed removal of the tax exemption on bonds issued by the banks. (Press of May 11.)

Foreign Trade Financing

"It will probably be conceded that it would be of the greatest possible advantage to our foreign commerce if in the next few years there could be built up a dozen large acceptance banks organized under the Edge Law Bill, operating under the supervision of the Federal Reserve system and cooperating in the building of the broadest kind of an acceptance market. This would mean sufficient credit facilities at all times available for commercial foreign financing." (From address of W. S. Kies, chairman of board of First Federal Foreign Banking Association before recent Tanners' Council convention, reported in Jour. of Commerce, May 9.)

Foreign Trade of Canada

Canadian foreign trade for March 1921 (imports and exports combined) owing to contraction in both the inflow and outflow of commodities, but more particulalry the former, shows a quite marked drop from the total for the period a year ago. But for the full fiscal year ended March 31, 1921, imports established a new high record total, while the exports exhibited a moderate falling off from the aggregate of 1919-20. Consequently the balance of trade for the year was against the country by close to $30,000,000, whereas in all preceding years, back to and including 1915-16, exports largely exceeded imports - by as much as $623,647,945 in 1917-18, when shipments of war materials and supplies were at their peak. (Commercial and Financial Chronicle, May 7.)

Freight Rates

"An advance of 10 per cent in all freight rates between New England points to go into effect immediately and to be limited to one year! Such is the recommendation of committees appointed by the governors of the six New England states. The New England Homestead ... is unalterably opposed to any such increase ... Instead of trying to drive business away from the railroads, let them go after it. Their present methods, plus this unjustifiable advance, will simply put a premium on the competition of motor trucks for short hauls, and indeed for many long hauls." (New England Homestead, May 7.)

Grain Markets

"One of the perhaps not unnatural effects of the great decline in the price of wheat and the other grains which has occurred during the past year, has been an extensive and somewhat embittered agitation on the part of the grain-growing farmers of the West, and of their spokesmen in public life, either for the complete destruction of the great organized grain markets, of which the chief is the Chicago Board of Trade, or for so severe a regulation of the business carried on in these markets as would render it virtually impracticable. ... The premises upon which the farmers and their representatives base this hostile action are quite without substance in the eyes of persons competently informed about the causes of great price movements and about the actual effects of the operations of traders in the organized public markets for the more important commodities and products; but economic truths are slow to disseminate themselves among those who are not brought much in contact with scientific studies of an abstract kind." (From article,"Federal Regulation of the Grain Markets," Economic World, May 7.)

Georgia Crops

"Nearly 700,000 of Georgia's fertile acres will not be brought under the plow this year, according to John S. Dennee, agricultural statistician for the Georgia Cooperative Crop Reporting Service. Although the outlook is somewhat improved the farmers are still on the raw edge -- cannot get rid of their products at 'living prices,' or negotiate the customary loan to prosecute farm activities." (Wall St. Jour. May 10.)

Horse as Feeder

From cost accounting studies made on 38 profitable New York farms in 1919, the New York State College of Agriculture found that the average horse ate in one year 6,769 pounds of grain. The farms which used their horses more hours per day on the average even though they fed considerably more hay and grain, were able to obtain their horse labor for a smaller cost per hour. (Phila. Ledger, May 11.)

Kansas for Marketing Plan

Kansas farmers are evidently in favor of organization of a marketing body controlled by them. Secretary Mohler sent out to 1,000 crop correspondents throughout the state the question,"Will you support a national plan for marketing farm products as worked out by the country's farm organizations?" About 75 per cent unequivocally supported the plan, 9.1 per cent were against it, and the others leaned towards the plan but were not sure. (Wall St. Jour, May 10.)

Live Stock in Illinois

A survey of six Illinois counties made by the livestock marketing department of the Illinois Agricultural Association shows, in general, a decrease of female farm animals of breeding age on Jan. 1, 1921, as compared with Jan. 1, 1920, according to Ills. Agricultural News Letter No. 51, which gives a summary of the report by counties. Dairy cows and heifers in Boone County decreased 7 to 8 per cent; in Jo Daviess and Kane counties, 6 or 7 per cent; in Ogle County 2 or 3 per cent; in Carroll and Stephenson counties, no change.

Michigan Dairy Interests

A dairy division of the Michigan state department of agriculture has been secured through the efforts of the Michigan Allied Dairy Association, which recently laid before Governor Groesbeck and the state administrative board the dairy situation in the state and the need for such a division. The association recommended that the appropriation suggested be distributed as follows: Butter interests,
(Cont'd on page 5.)

Michigan Dairy Interests (Cont'd)

30 per cent; condensed and powdered milk, 5 per cent; cheese 5 per cent; ice cream, 10 per cent; market milk and production, 50 per cent. (Michigan Business Farmer, May 7.)

Prices

Reductions of 23 to 25 per cent in the price of arsenate of lead, of 7 and 8 cents in apple boxes and of approximately 30 per cent in paper will prevail during the 1921 apple growing season, according to C.J. Webb, assistant manager of Spokane Fruit Growers Company, (Fruit Trade Journal and Produce Record, May 7.)

Production Costs

"Farmers could well take pattern after business institutions in the city in the way of reducing cost of operation during periods of depression. It would be economy, in many instances, to take a careful survey of farm operations and learn new ways of saving time, labor and expense. ... Whatever the means employed, every dime saved in producing a crop will be that much saved towards a possible profit or a reduction of a loss. While the farmer can not always control his market, he can, in a large measure, control the cost of production." (From editorial in Farm and Ranch, May 7.)

Road Building

"Overdoing the Building of 'Good Roads'," is the title of an article in The Commercial and Financial Chronicle for May 7. This says in part: "The scandal and ruin of road-building in one of the southern states, lately disclosed to the people of the country, ought to compel a reconsideration of the whole question in the popular mind. Often we are better able to judge the right and wrong of things from a safe distance than when near by. ... The need and utility of roads, as an abstract may be conceded; but need and utility in each concrete instance depends upon where the roads run, what they cost, and who pays the bill. ... It is by no means an idle question to ask if a man can have his own property improved, that is to say, enhanced in value, against his will, and at the same time be made to pay therefor."

Texas Butter Consumption

Texas ships into the state each year 20,000,000 pounds of butter, 15,000,000 pounds of cheese, 7,000,000 gallons of condensed milk and about 3,500,000 pounds of milk powders and other products. This is equivalent to about 400,000 bales of 10 cent cotton or $20,000,000 annually. Texas would have to increase her dairy herd population about 50 per cent to supply her own needs. (From a statement of J.W.Ridgeway fomerly dairy specialist A. & M. College, in The Creamery Journal, May 1.)

Wheat Crop

In an editorial on "The Big Wheat Crop," The New York Times May 11 says in part: "After all, the farmer is not so badly off as he thinks, his war profits are gone, but his postwar profits will rival his prewar profits, and they were on no mean scale. ... The farmer, like other speculators, seldom regrets the profits he has realized, and if he will buy a new pencil he may be able to figure a profit on last year's crops even at this year's prices."

Wool

A sale of Government owned wools will be held May 25 at Boston, the catalogue being identical with that which was to have been offered March 10 but which was postponed. The quantity to be offered will total 6,000,000 pounds. (Jour. of Commerce, May 10.)

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Vol. 1, no. 43. May 12, 1921.

The Emergency Tariff bill, carrying the anti-dumping and American valuation clauses and the Knox dyestuffs protection amendment, was passed by the Senate yesterday. (N.Y. Times, May 12.)

Seeking agricultural and business representation as well as finance on the Federal Reserve Board, Senator Capper yesterday proposed a bill to increase the membership of that body to nine by adding as members the Secretaries of Agriculture and Commerce. (Press of May 12.)

American Farm Bureau Federation

Eleven Montana counties have definitely lined up membership drives for June to October. Michigan now reports a membership of 97,000; Ohio reports a membership of 93,507, and that only 7 counties of the state are without farm bureaus; Minnesota is within 9 counties of being 100 per cent organized; Texas now has over 100 county farm bureaus organized since September 1, 1920; Arkansas has 20 county farm bureaus to her credit.
(American Farm Bureau Federation News Letter, No. 18.)

Cotton

1. Further information on the second World Cotton Conference, to be held at Liverpool and Manchester, England, June 13 to 22, is contained in Cotton for May.

2. "A Review of a Report on Sizing," is the title of an article by William R. Cathcart, Ph.D., in Cotton for May, which enters into the details of the process, and presents many photomicrographs and tables. The data for the review were obtained from Wellington, Sears & Company, Boston. The investigation was made in the Research Laboratory of the Warwick Mills, Centerville, R.I.

Fair Grounds Development

In an article entitled "New Era for the District and County Fair," in The American City for May, L.W. Ramsey, the author, says: "The wisdom of securing an architect and a landscape architect to develop fair grounds has been conclusively demonstrated, for not only has a properly planned fair the best use of all its features, but the buildings are so arranged that each adds to the attractiveness of the whole."

Farm Organization in California

Twenty thousand California farmers are being organized in the new California Farm Bureau Exchange to open a war on the middleman and speculator. They represent the production of $300,000,000 worth of foodstuffs, according to Philadelphia Ledger, May 12.)

Feeders' Losses

"Squeezing out the Feeders," is the title of an article by Ray Yarnall, in Kansas Farmer and Mail and Breeze, in which the author states that investment in feeding herds, representing ultimate beef production, has been reduced 65 per cent from the 1920 average in 22 widely scattered Kansas counties. In 4 counties the reduction has been heavy; in 5 slight; in 3 no reduction. The greatest reduction reported is 90 per cent and the lowest 25 per cent. Twelve counties report 75 per cent decrease and 6 report 50 to 60 per cent. Basing conclusions on those figures it apparently would be safe to say that the investment in feeding herds of cattle in Kansas has been reduced at least half from the 1920 average, and that unless a change occurs beef production will be affected proportionately. (May 7 issue.)

Freight Rates

Edgar Clark, Chairman Interstate Commerce Commission, in an article on "Freight Rates and the Farmer," in Kansas Farmer and Mail and Breeze for May 7 says: "The difficulty is the wide difference between the price the grower gets and the price the consumer pays. We have made it our business to inquire considerably out of our line in order to get a correct understanding of the situation. We have had complaints about the rates on fruits and vegetables in great numbers, and we have studied the situation as far as we have been able. For instance, there were complaints on the rates on spinach from the South. The facts are that the retail dealer in New York is paying just half what he paid last year, but his price to the consumer is identical with that of last year. Obviously the freight rate in that case is not what is preventing the grower from getting the price he got last year, and under those conditions we do not see where a reduction in freight rates would benefit the grower."

In a resume of the situation from the point of view of the railroads he says: "There are not more than 10, and perhaps not more than 6, individual roads that are earning the interest on their bonds. About half of the railroads are failing to earn their operating expenses and taxes."

Fur Catch in Canada

The total value of pelts of fur-bearing animals taken in Canada during the season 1919-20 was $21,197,372, according to the census of the Dominion Bureau of statistics. (New York Commercial, May 11.)

Grain Marketing

1. "Farmers should make up their minds that the Committee of 17 plan of grain marketing will be bitterly opposed by board of trade interests, whose opportunity to speculate on the grain markets will be reduced to the extent that the farmers succeed in selling their own products direct to millers and other consumers in this country, as well as in disposing of their surplus for export. In commenting upon the organization of the U.S. Grain Growers, Inc., L.L. Winters, of Chicago, a so-called economist and leader in the grain trade, says that it is 'economically unsound and cannot succeed in its present form'. The present system, he declares, 'is the result of the most economical food-marketing system in the world.' Truly our present marketing system, if it is as old as Mr. Winters advises, is hoary with age."
(From editorial in The Iowa Homestead, May 5.)

2. "The present attitude of many farmers and their leaders toward the grain trade of the country is due absolutely to empty talk. To twaddle must be attributed the empty belief that the making of contracts for the future delivery, or acceptance, of grain is the cause of declining
(Cont'd on page 3.)

Grain Marketing (Cont'd)

2. prices for grain, though no one would say a contract for the future delivery of a horse or a bunch of calves ... has a similar effect on the prices of those things in a general way. And to twaddle must be attributed also the further belief that the grain trade is inherently inimical to the farmer upon whose continued production and prosperity the grain trade relies for the continuance of its own existence." (Price Current-Grain Reporter, May 4.)

3. "Handling Cash Grain on the Board of Trade," is the title of an article by Robert H. Moulton in The Northwestern Miller for May 4, which describes in detail the functions of the Chicago Board of Trade. It says: "It is not contended that it would not be possible to market grain if every exchange in the country were closed, any more than it would follow that the world would be in darkness if lighting by electricity had never been discovered. ... Even without the Board of Trade a broker could sell a consignment of grain or provisions by traveling the length of South Water Street, Chicago, for example, or by communicating with several hundred millers or grain dealers throughout the country. But modern business, and particularly the business of marketing the grain and provisions of the country, has grown to too great proportions to permit of such an unwieldy and costly system."

Grain Trading

1. An editorial in Chicago Journal of Commerce, May 10 says in part: "One week ago today it was suggested in this column that the farmers and legislators who are supporting the Lantz bills in the Illinois general assembly make sure they have a workable and efficient substitute for the Chicago Board of Trade, which they seek to destroy. There now appears evidence to indicate that the structure being built to supplement the Board of Trade is quite similar to those foisted upon gullible farmers by professional organizers who have filched from the farmers of Iowa millions of dollars in the last few years. ... This does not suggest that there is anything reprehensible in the attitude of the farmer or the legislator toward the Board of Trade. Both have been misled by the professional agitator."

2. "In case the Capper-Tincher bill in its original form, directed against the short selling of grains, which the authors style 'gambling' of course, should become a law, it might not be necessary for the board to wholly abandon that form of trading, but it would be necessary to resort to some subterfuge, or expedient, such, for instance, as the system of trading in stocks and bonds on the New York Stock Exchange." (Price Current-Grain Reporter, May 4.)

Milk Marketing Committee

"The Committee of Eleven, appointed to find a way to improve and stabilize the market for the product of the dairy cow, has our best wishes. There is big work for it to do if it is big enough to comprehend the problem. We believe with Mr. Potts of the Department of Agriculture that its first job lies in getting right on the underlying principles of dairy marketing. ... It is highly probable that the details cannot be standardized for all localities. ... Standardization of dairy products throughout the country and the education of the consuming public to these standards is one problem to which the committee might well give attention." (From editorial in Orange Judd Farmer, May 7.)

Milk Powder Industry

"I am convinced that in milk powder lies the solution of the new milk world, and that already the best milk powder now produced is superior to other forms of milk, but the industry and the state of the art do not warrant the loose and misleading assertions made all too frequently by irresponsible promoters or over-enthusiastic salesmen." (From an article on the Powder Milk Industry, reprinted from the Canadian Export Pioneer, in The Milk Dealer for May.)

Milk Products in Denmark

"The Manufacture and Export of Danish Milk Products," is the title of an extensive article in Danish Foreign Office Journal for April. The article states that in addition to butter, attention has recently been directed toward the preparation for export of condensed milk of absolutely superior quality, of pasteurized and sterilized milk and cream and of milk powder. The article states that the question of the creation of an export trade in the various forms of Danish prepared milk has been prominently to the front in recent years, "the matter being one which concerns many interests and with which there is closely knit the efforts to insure for Denmark in foreign countries a name as the producer of absolutely first-class commodities alike in connection with milk as with other dairy products."

Milk Sterilization

"Electricity to Keep Milk Fresh for Weeks," is the title of an article in Popular Science for June, by P. J. Risdon, who describes a new process of sterilizing milk electrically discovered by three English scientists. The author states that although their experiments have not reached a final stage, the importance of the results can scarcely be exaggerated. In addition to destroying the germs of typhoid and tuberculosis, electric treatment destroys 99.9 per cent of harmless bacteria.

Prices

1. "The announcement by private price reporting organizations that their figures indicate a total reduction from the 'peak' price level of about 48 per cent calls attention to the fact that readjustment is not yet complete but is still progressing. ... Economists have ever since the armistice repeatedly called for stabilization of prices, and have asserted that there could by no possibility be a return to the prewar figures. The facts have disappointed their expectations and it would not be more remarkable or unreasonable to see a further general decline to prewar price levels than it was a year ago to look for the decline that has in fact occurred. What is of more importance, however, than these speculations as to the future price level is the prospect of getting a properly adjusted level, in which commodities will bear somewhat their old prewar relationships to one another." (Jour. of Commerce, May 11.)

2. Bradstreet's index number of wholesale prices as of May 1 showed another decline, the fourteenth in fifteen months of almost continuous downward reactions, according to The Journal of Commerce for May 10. The index number as of May 1, $10.8208, shows a decline of 4.8 per cent from April 1 of 14.5 per cent from January 1 this year, of 47.8 per cent from May 1 a year ago, and of 48.1 per cent from the peak point of February, 1920. Compared with August 1, 1914, however, the advance is only 24.2 per cent.

Seed Acreage in Canada

Land prepared for seeding for this year by new breaking, summer fallow and fall plowing in Manitoba, Saskatchewan and Alberta totals 12,785,750 acres, against 11,649,744 acres in 1920, according to Dominion government estimates, not including spring plowing. (N.Y. Commercial, May 11.)

Skins

"Starting with packer slunks, which advanced from 75c up to $1.50, the market has broadened out gradually, calfskins have advanced from 13c to 23c, and as stocks of light skins are exhausted the broadening out process continues until kip, extremes and packer light cows all have advanced 4 to 6c per pound." (Chicago jour. of Commerce, May 11.)

Tanning on the Farm

A correspondent of Farm and Ranch for May 7 says: "The large tanneries dropped their wad when they failed to bid on hides. This has started research and every man and boy is looking for a way to tan and produce leather. Four years ago we did not have any small custom tanneries at all. They have increased at least 80 per cent. ... Now, as I see it, it is only a matter of time until the leather industry will be owned and operated by the farmer at home. The production of leather will be carried on just the same as any other part of the farm. Eventually the custom tannery will lead."

Tariff on Wool

"A plea is being made by the National Wool Growers' Association to have such tariff as may be levied on imported wool figured on the scoured basis rather than upon the grease basis, as this would have the effect of giving the producers greater protection. ... American wool is all purchased on the basis of its scoured content, the latter being judged by its appearance. Imported wool, likewise, is also bought on the scoured basis. That being the case, it would be logical and just to impose the import duty on the same basis." (From editorial in The Iowa Homestead, May 5.)

Utah Wool Clip

Sheep shearing in Utah is nearly finished and the clip is roughly estimated at about 15,000,000 pounds, according to Wall Street Journal, May 9. It also states that Utah sheepmen have arranged summer storage at Salt Lake for 6,000,000 pounds of 1921 wool clip in anticipation of a better market price later in the season.

Wheat Crop

"An unusual feature of the announcement of the Government's crop report forecasting a large yield of winter wheat was its failure to affect the grain carrying roads. In former days such a report as that just issued would have been followed by a prompt advance in prices of the securities. The significance of this lies in the fact that there is a surplus supply of wheat on hand and it does not necessarily follow that all the wheat raised this year will be or can be transported. The question this year is how much wheat can be exported, for it is the export movement that enters largely into railway transportation calculations. ... This year it will be a question of foreign credits more than actually quantity available." (From editorial in New York Commercial, May 11.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no.44. May 13, 1921.

Julius Kruttschnitt, chairman of the Southern Pacific Company, before the Senate Interstate Commerce Committee yesterday insisted that recent increased freight rates had not operated to bring about a reduction in business, but argued that the increased rates came simultaneously with the depression in general business. He said: "Commodities for which the producers now receive very little are taxed so very greatly by middlemen and retailers that consumers must pay altogether disproportionate prices, while the transportation charges are very small parts of the increase." (Press of May 13.)

"Railroad chiefs are not improving their case with the public by their endless complaints. Julius Kruttschnitt wants the autotruck restricted, the Government kept out of the business of operating steamships, the tolls on the Panama Canal increased, higher rates on inland canals and the railroads freed from enforcing long and short haul rates on coast-to-coast traffic. In effect, Mr. Kruttschnitt favors freedom of action for the railroads, but would put the brakes on anything that competes with the railroads. Such economies as the railroad chiefs suggest are mainly confined to wages. No executive thus far has put forth a constructive thought in regard to economies possible in financing the properties or in greater freedom in purchase of equipment, in fuel conservation or in correcting the great faults in terminal systems." (Richard Spillane, in Phila. Ledger, May 13.)

"Questioned as to whether the fruit growers of California could afford to pay railroad freight on their products, Mr. Kruttschnitt testifying before the Senate Interstate Commerce Committee said they could, despite the propaganda to the contrary. ... He referred to the enormous fleets of motor trucks which are competing both in freight and passenger traffic with the steam roads and in doing so tear up and destroy highways. The Southern Pacific railroad line, he said, lost revenues of at least $4,000,000 last year from this character of competition. ... These trucks, operated for the profit of private owners, compete directly with the heavily taxed steam roads and should be made to pay for the use of the publicly constructed highways." (Wall St. Jour., May 12.)

Creation of a joint congressional commission to inquire into the economic outlook for farmers and recommend legislation was proposed yesterday in a resolution by Senator Lenroot. (Press of May 13.)

Cooperation of Farmers

"One of the best presentations on the differences between cooperation and socialism was given by C.S. Barrett, president of the Farmers' National Union. ... He has pointed out the necessity of farmers cooperating for the purpose of marketing their products to better advantage and that consumers should likewise form cooperative enterprises that they may buy advantageously from the farmer. He then states: 'Do not think I am advocating extreme, radical, or socialistic measures, for I am not. Agricultural and consumer cooperation are the antipodes of Marxian socialism or communism. The socialist lives under the enforced rule of the majority - by law; the cooperator lives under the system of self-help through mutual help - by volition. Socialism may be despotism but cooperation is enlightened self-interest." (Hoard's Dairyman, May 13.)

Cream Standards

1. The Washington state department of agriculture, through the dairy and live stock division, is instituting a campaign among the dairy farmers of the state, especially cream shippers, for the production of a better, and higher standard product. (Hoard's Dairyman, May 13.)

2. Minnesota College of Agriculture has issued a statement in favor of grading cream and points out the losses incurred when cream is not graded. (Hoard's Dairyman, May 13.)

Dry Land Farming

"Making a Profit from your Non-Irrigated Land," is the title of an article by Earle G. Reed, Agriculturist, Colorado & Southern Ry., in Western Farm Life for May 1. He states that "Too many farmers on the non-irrigated lands have been and are still trying to get rich quick by staking a year's labor and all their money on the chance of one big crop instead of turning their attention to making a living and a home. The rotation of crops and the keeping of live stock, especially if that live stock be a few good dairy cows, will make dry land farming safe, sure and reasonably profitable every year." A table is presented suggesting rotation for the next six years.

Farmer and City "Folks"

"What does the Farmer want to tell the City Folks?" is the title of an article by James H. Collins in The Country Gentleman for May 14. This is mainly a long interview with J.R. Howard, president of the American Farm Bureau Federation, to whom it had been suggested that the "Federation tell the city folks something about itself." Mr. Howard says in the interview: "The farmers of the United States are not going to sit down and let that expanding market in our cities get away from them, nor move to town themselves and live on imported bread and meat. ... We want to tell the city man that he is not the only consumer. The farmer is a consumer to a large degree, and therefore thinks of things from the standpoint of a buyer as well as a producer. We have had a great demonstration the past year of the effect of decreased buying power of farmers. It has brought the manufacturer and city man to realize that the farmer buys almost as much as he sells. Farm production not only requires purchases of farm machinery and other expensive equipment and supplies, but the farmer's family is also a heavy buyer of clothing, shoes, manufactured foodstuffs and many other things which the city worker produces."

Referring to advertising, the author says: "Individually, Mr. Howard believes in advertising, but the Federation as a whole has not

(Cont'd on page 3.)

Farmer and City "Folks" (Cont'd)

developed its marketing plans." He calls attention to the fact that this phase of the work is for the present being taken care of through a recently established department of education and publicity in the Federation's Chicago offices.

Grain Marketing

"If the plan of complete pooling of wheat and other grains is ever accepted by farmers generally the idea must be sold to them absolutely on its merits as a marketing plan. ... The wheat growers have enough sound arguments on their side to be able to convince anybody that their plan is good, provided they are willing to go at the job on a basis of honest argument and not predjudice."
(From editorial in Oklahoma Farmer-Stockman, May 10.)

Grain Marketing Charges

The Armour Grain Company, one of the largest grain dealing and handling concerns in the country; the Brainard Commission Company, The Erie Company and Lewis Proctor & Co., all prominent members of the New York Produce Exchange, were yesterday suspended from representation on the floor of the Exchange for varying periods. The charge against them was the substitution of inferior grains in cargoes shipped to buyers in Germany, Sweden and England last year.
(N.Y. Times, May 13.)

India's Economic Situation

It is the opinion of a high official of the Indian government that the bottom has been reached, and, unless something unexpected happens, the worst is over. For some time there has been a tendency for the higher priced Indian exports to strengthen and for the cheaper grades to weaken, noticeably in tea, jute and hides, but recently the lower grades have increased in prices while the upper grades have weakened. Goods are entering into consumption and manufacturers and exporters are shading prices. (From a report on economic conditions in India, in Commerce Reports, May 10.)

Lard Substitutes

Efforts of manufacturers of lard substitutes that are made from vegetable oils to replace lard with those substitutes have become so active that they are having a direct bearing upon the price which the livestock man is getting and is going to get for his hogs.
(Western Farm Life, May 1.)

Louisiana Milk Situation

An outline of the surplus milk situation in Louisiana is given by C.H. Staples in Hoard's Dairyman for May 13. He indicates very clearly the necessity for a uniform production throughout the year, and for providing means for handling milk other than through its sale for distribution in the city market.

Meat-Packing Investigation

"The Meat-Packing Investigation: Reply," is the title of an article by L.D. H. Weld, in the Quarterly Journal of Economics, for May, 1921. In his preface the author states that this is a reply to an article on the report of the Federal Trade Commission on the meat-packing industry, contributed to the August, 1920, issue of this journal by Dr. Virtue, who, Mr. Weld says "does not tell the whole story." The present article gives a history of the investigation, growth and position of the packing companies, the stockyards situation, fluctuations in the price of live stock, the charge of combination, the Palmer-packer agreement. The author states that in the main, Dr. Virtue's description of the steps that led up to the Federal Trade
(Cont'd on page 4.)

Meat-Packing Investigation (Cont'd)

Commission's investigation is accurate, "although there are one or two important omissions and one or two unwarranted assumptions which place the matter in a somewhat false light." In conclusion the author says: "If the packing industry is to be placed under the supervision of a government commission with power to enforce such rules and regulations as it may promulgate, there is just as much reason why every steel mill and every cotton mill should be placed under this form of radical supervision."

Moratorium for Brazil

A measure creating a form of moratorium for Brazil for a period of six months was introduced in the Brazilian Senate May 9, according to Journal of Commerce, May 12. The project provides for payment of interest at 6 per cent during the period of the measure's effectiveness.

Oklahoma Cotton Marketing Plan

The Oklahoma plan for cooperative cotton marketing is reviewed in The Oklahoma Farmer-Stockman for May 10 in an article by its editor, Carl Williams, who says: "The Oklahoma plan for cooperative cotton marketing is now the standard plan for the whole South, including all of the states which produce cotton. The plan has been officially adopted by organization committees in Arizona, Arkansas, Texas, Mississippi, Georgia and North Carolina. Memberships are being taken among the cotton farmers in all of those states. South Carolina and Alabama will be officially organized this month." The proposed sales plan of the organization as it now exists provides that whenever as many as three states have perfected their cotton marketing associations on a basis of the Oklahoma idea, they may federate into the American Cotton Growers' Exchange. The exchange shall be an agency for the sale of cotton from all member states. It will have no capital stock and will not be incorporated.

A second article in the same issue states that the Oklahoma Cotton Growers' Association now has more than 33,000 members. Approximately 400,000 bales of cotton are signed up by those members to be marketed through their own association each year of the next seven. The Association now has assets of nearly $250,000, this being the amount saved out of the $10 membership fees in excess of the cost of organization. (Oklahoma Farmer-Stockman, May 10.)

Prices

"Is Market Price Determinate?" is the title of an extensive article by F.W. Taussig in the Quarterly Journal of Economics for May, 1921. The introductory sentence states that the paper is meant to point out some modifications or corrections of the usual statement of the theory of supply and demand. The author states also that he is by no means sure that the suggestions are novel; nor do they tend to alter the essentials of received economic theory. "But", he says, "they may indicate wherein current versions are not in accord with the course which prices take under some familiar conditions, and thereby they may contribute toward an end of much consequence for the advance of economic science - the ascertainment of the precise relation between the short period 'irregular' phenomena and those long-period 'normal' movements which have received most attention from economists." He says, further: "In a host of transactions it is doubtful whether there can be said to be in any accurate sense an equilibrium of demand and supply. Least of all is an equilibrium to be found when the purchasers

(Cont'd on page 5.)

Prices (Cont'd) in the market are not dealers or other commercial persons, but government agents. No question can enter their mind concerning ability to dispose of the goods to the consuming public. ... For them, moreover, consumers' demand is quite immaterial. ... Under such conditions the penumbra is wide and price is quite unpredictable."

Pure Bred Live Stock "Have Pure Bred's Failed?" is the title of an article in The Country Gentleman for May 14, by William Johnson, who reviews conditions in the livestock industry during the past four years. Quoting Department of Agriculture figures on live stock on farms in various states, he says: "It is evident that there will be nothing in the final figures to justify any boasting over a good job of promotion work done for pure breds. ... The breed associations have not started yet. The road to new breeders is wide open. ... Does any responsible man doubt that efficient animal equipment capable of increasing the returns from every acre of grain, grass or hay grown, might not have been sold to the average farmer in equal measure if it had been presented to him correctly and priced right - if the methods of selling had not degenerated into a gamble. Enough money has been spent to put pure breds over in much more satisfactory numbers if it had been spent right." Deploring past methods of selling and advertising, the author says: "One sort of advertising has never been tried. That is modern, well-thought-out, persuasive advertising - advertisements to make you want pure breds; advertising of the kind that sells tractors, automobiles, phonographs. ... The slate is clean; the gamblers are broke or quitting; prices are at the bottom. Not in half a dozen years past was there such an opportunity to buy good stock as now."

Wool

1. The wool auction sales at London closed yesterday with offerings of 8,872 bales. Prices were firm and at the highest. During the series merinos gained 10 to 20; fine cross-breds 5; and other cross-breds, 15, and Cape of Good Hope and Natal 5 to 10 per cent. During the sales the home trade bought 25,000 bales; the continent, 43,000, and America, 2,000, while 5,000 were held over. (London cable to Phila. Ledger, May 13.)

2. The Melbourne Commonwealth Senate has passed the wool scheme which compels all wool purchasers to take part in the British-Australian Wool Realization Association. The House of Representatives has adopted the proposal to restrict exports of wool for six months unless shippers agree not to sell below a reserve of 8 pence per pound, and that all wool bought in Australia be paid for before exportation. (Jour. of Commerce, May 9.)

Conventions

1. The annual convention of the Texas Grain Dealers' Association will be held at Galveston, Texas, May 23 and 24.

2. Plans are under way for the holding of a tuberculosis eradication conference of state and federal veterinarians engaged in cooperative work in the New England states. This will be held with veterinary practitioners and representatives of the live stock industry in Boston, June 22-24. (Hoard's Dairyman, May 6.)

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Vol. 1, no. 45. May 14, 1921.

The House yesterday passed and sent to the Senate the Tincher bill to regulate grain exchanges and to tax dealings in grain futures. (Press of May 14.)

The House yesterday sent the Emergency Tariff bill to conference for the composing of differences between the Senate and the House. (Press of May 14.)

The retail price levels of standing commodities will be published at regular intervals by the Department of Commerce as a result of arrangements made at a conference yesterday between Secretary Hoover and representatives of retailers in various parts of the country. Figures showing production cost, wholesale and retail prices, and expense charges are to be supplied the Department by the retailers. (Press of May 14.)

The Foreign Trade Financing Corporation, which was organized last year, and was to have a subscribed capital of $100,000,000, will be put in operation within the next 60 or 90 days, according to statements made in banking quarters yesterday. The original capital has not been subscribed, and it is now stated that the corporation will be started with a smaller capital, estimates placing the amount at from $25,000,000 to $50,000,000. (N.Y. Times, May 14.)

Payment of the final installment due on an advance of $8,000,000 made last year to assist in financing the exportation of cotton to Czechoslovakia has been completed, it is announced by the War Finance Corporation. This exportation, the Corporation said, was handled by two American export firms and six banking institutions in New York and one in Boston participated in the financing. (Wash. Star, May 13.)

That business amounting to more than $50,000,000 is being withheld from American merchants and manufacturers today through the insufficiency of our trade-financing machinery was the statement made by William C. Redfield, former Secretary of Commerce, before New Jersey bankers at their convention at Atlantic City yesterday. (Press of May 14.)

Cooperative Marketing

1. "The one great barrier that prevents the good farmer from getting the reward to which he is entitled is the middleman's marketing system that gives the ears to market men and leaves the husks and stalks to the real producers. ... The better day is ahead. Farm marketing co-operatives are a mightysubstantial train and they are moving with speed." (American Agriculturist, May 14.)

2. Another farmers' cooperative project is now in operation with the leasing by the California State Farm Bureau of the new grain elevators built by the West Milling Co., on Oakland's inner harbor. In connection with the new project, the Oakland Chamber of Commerce is projecting an Oakland grain exchange. Plans for the construction of subsidiary grain elevators throughout the state, to receive grain which would later be shipped to the Oakland elevator, have been announced. (Phila. Ledger, May 14.)

Cotton

1. The strides of the export cotton trade of the United States in 100 years is shown in a table of statistics compiled by R.L. McKellar, foreign freight traffic manager of the Southern Railway System at Louisville, Ky., covering the foreign movements of American cotton in the past century. He estimates the total exports between 1821 and 1921 at 341,211,268 bales, or 85,212, 816 tons, and places the value of that trade at $20,349,251,320. A table shows the extent of shipments by decades. (Jour. of Commerce, May 13.)

2. M.L. Hallenbeck, author of a series of four articles on cooperative cotton mills, with the state as a partner, in Farm and Ranch, in the issue for May 14 presents the first half of the outline of the organization he has in mind together with a tentative constitution.

Cotton Marketing

"Farm and Ranch will indorse any honest movement to establish cooperative cotton mills in the Southwest. Farm and Ranch believes that producers of cotton, who are able, should become interested as stockholders in cotton mills and that cotton mills located in the Southwest would be one sure means of shortening the distance between the producers and the consumers. It cannot and does not indorse co-operative cotton mills with the state as a partner. State-owned cotton mills would be just one long step further toward Government ownership of everything else." (From editorial in Farm and Ranch, May 14.)

Cutover Land

Plans are on foot by the Hammond, La., Chamber of Commerce for bringing together the land owners of that section in an endeavor to utilize the large tracts of cutover timber land. It issaid that more than 500,000 acres of such land near Hammond are not being utilized. A conference is planned to study the subject and devise some definite plan whereby these large tracts can be put to good and profitable use. (Manufacturers Record, May 12.)

Emigration to Mexico

Special inducements are being offered by the Mexican government to farmers to enter that country and settle, according to a report from Consul Dye at Juarez. A large colony of Mennonites from Canada, said to number 50,000, are planning to settle in Northern Mexico. (Jour. of Commerce, May 13.)

Farming with Electricity

"Farming with Electricity," is the title of an article by Ralph Howard, in Scientific American, May 14, in which is described the project of the Reclamation Service of the Department of the Interior in electrifying 121,310 acres in Cassia and Minidoka counties, Idaho. The article says: "With 1,100 farmers applying electric current in producing and harvesting their crops, doing the chores of the housewife, and illuminating the homes, schoolhouses and churches, no other rural section in the United States has accorded all-embracing favor to this form of power as has this hydroelectric project in south central Idaho. ... No manufacturing industries of consequence are fostered; two beet-sugar factories, a potato dehydrating plant, two cheese factories, and several alfalfa mills, constituting the magnitude of manufacturing."

Foreign Trade

1. "We read many editorials comparing the present time of readjustment with the period following the Civil War. While high prices and depression existed in those days as they do now, yet the economic situation following the recent World War is not analogous to the period following the Civil War. Indeed the situation today is quite the reverse of what it was in 1865 and extending into many years following. Fifty years ago the United States was busy sending products abroad to get the means of paying interest and dividends on foreign capital invested in this country. Now Europe owes America vast sums of money. Obviously, we must take European goods in exchange for the products of American farms and factories. ... Hence to buy these they must have free movement of their manufactured products which they make in great excess of their own requirements. Any American policy that restricts this exchange of foreign manufactured goods for our food products will delay European recovery." (From editorial in American Agriculturist, May 14.)

2. According to press announcements in Mexico a number of Ohio capitalists have arrived in Mexico to negotiate the purchase of 20,000 acres of timber land at Pichachic, on the Mexican Northwestern Railway. The purchasers are to build a mill to turn out bridge timbers and other lumber. (Jour. of Commerce, May 13.)

Fur Trade

The International Fur Exchange, an $8,000,000 corporation, which made St. Louis the leading fur auction market center of the world, yesterday sent to its stockholders a statement of its present financial condition showing that assets on its balance sheet amounted to approximately $9,200,000 less than its indebtedness. (Assoc.Press, May 14.)

German Potash Trade

The situation in the German potash industry has become extraordinarily bad of late owing to the great decrease of home sales and the unexampled decline of export business. Many works have been compelled partly to close down. Negotiations have been going on for months with the United States for the conclusion of large contracts, but nothing has come of them. (Jour. of Commerce, May 13.)

Land Banks

"The joint stock land banks throughout the country are refusing to make loans to farmers. They are sending a circular letter to applicants saying the land bank act is being attacked in Congress and that until these bills - one to make such loans taxable and the other to (cont'd on page 4.)

Land Banks (Cont'd) practically abolish the act - are out of the way, they cannot sell their bonds." (From editorial in Washington Herald, May 14.)

Live Stock

Large movement of Texas and New Mexico cattle into Mexico for spring grazing is expected as a result of the removal of all duties, both import and export, upon cattle by the Mexican government. Recently large ranch properties in border states of Mexico have been purchased by Americans and are to be stocked with blooded cattle as rapidly as possible. (Phila. Ledger, May 14.)

Milk in New York

1. New York state ranks first in the production of market milk, and second in the production of milk. Approximately one-half of the milk in the state of New York is used in human consumption and one-half in manufactured products. New York state produces 80 per cent of the powdered cream manufactured in the United States, about 80 per cent of the powdered whole milk manufactured in the United States, and 50 per cent of the powdered skim milk manufactured in the United States. New York state ranks second in the manufacture of cheese, producing approximately the same amount as the entire output of Canada. (George E. Hogue, N.Y. Commissioner of Agriculture, in American Agriculturist, May 14.)

2. "Upon going to press, the price for other classifications than fluid milk in class 1 was not decided, although the trend was toward a price which would give an average close to the April price of $2.10 per 100 pounds." (From article on New York milk pool in operation, in American Agriculturist, May 14.)

Modern Methods for Bulgaria

That the Bulgarian ministry of agriculture is endeavoring to replace the primitive agricultural methods now in use by more modern ones, and that plowing contests are being organized among the farmers, and the use of motor tractors and motor plows is encouraged, is the substance of a report to Commerce Reports, May 12.

Moratorium in Brazil

"Government authorizes you to deny peremptorily the news of moratorium in Brazil. The Government did not enforce or even consider enforcing a moratorium in the country." This dispatch received by the Brazilian Consul General at New York from the Brazilian foreign office is published in the New York Times, May 14.

Poultry and the Tariff

"No item is now in the Emergency Tariff bill relating to poultry, and poultrymen and egg shippers must bide their time and wait for a chance to protect their industry from foreign competition in the permanent tariff some months hence. Meanwhile the cars of Chinese eggs, produced and sold in the Orient at a cost of 4 to 6 cents a dozen in normal periods and 6 to 12 cents in abnormal times, are rolling eastward to compete on our markets with eggs produced on our farms. Even in normal times American farmers cannot produce eggs at less than 25 cents a dozen, and prices to the farmer are already below this in many of the large egg-producing areas. This serious situation calls for concerted action on the part of every farmer or poultryman who has the slightest interest in being able to meet his bills next season." (American Agriculturist, May 14.)

Prices

There has been little change in the general business situation during the last week, according to leading mercantile agencies, and conditions continue fair and quiet, according to the statement of The New York Times of today. It quotes Bradstreet's as saying: "The canning trades are depressed, owing to large supplies, claimed to represent losses at present prices, having been carried over. The shoe, leather and hide trades appear to have taken on more life, with prices of calf leather and skins stronger. The cotton goods trade notes gain in some lines."

Wool

New Zealand stocks of wool on hand April 30 were 314,496 bales. The average New Zealand clip, which includes slipe wool, is 600,000 bales less 18,000 bales of crutching not yet shorn, thus making a net total of 582,000 bales. The balance of new wool on hand April 30 was 426,000 bales, [illegible] 156,000 bales having been shipped. (Commerce Reports, May 10.)

Department of Agriculture

1. "Perhaps no phase of the Government agricultural work has come more to the front in the past season than the crop and market reporting system. Splendid work has been done. The real worth of this service was apparent to farmers last season and it should be much more valuable during the coming crop year. However, the pulse of farmers on this is apparently unknown or unheeded by the legislators at Washington. ... Despite the small appropriation to carry on this work the department has been able to secure excellent men for the field work, surprisingly so, when salaries offered by the Government are compared with those offered for the similar effort in the commercial field. ... " (From editorial in American Agriculturist, May 14.)

2. Who is Who in the Grain Trade for May 5 says in its leading editorial, on "Activities of County Agents"; "At a joint meeting of the executive committee and the legislative committee of the Grain Dealers National Association ... it was decided to seek the cooperation of all the members of the organization, direct or affiliated, in the campaign to bring to the attention of Congress the pernicious activities of federal bureaus. These agents, under the guise of helping the producers are trying to foist European socialism upon the people of this country. They have begun their insidious attacks upon the grain dealers of the nation. ... If the present system of grain distribution is supplanted by a system subsidized and encouraged by the federal government, where will the socialistic movement stop?" Pursuing this line of argument in elaborate detail, the editorial,says, further: "The Grain Dealers National Association will stop, if it can, the activities of the county agents, the Bureau of Markets and the other agencies of government that are using the people's money to build up a monopoly in farm products."

3. "Secretary Wallace is beginning to see the danger. In a recent speech at Chicago he warned the farmers against such plans. He told them that monopoly was indefensible and would in the end defeat itself. ... But that won't stop the demagogues who are at the head of the movement." (From editorial on the Tincher bill, in Who is Who in the Grain Trade for May 5.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 46. May 16, 1921.

Favorable report on the Haugen Packer Control bill was ordered May 14 by the House Agriculture Committee. The measure would place stockyards and packing houses under the supervision of the Secretary of Agriculture, while the bill reported last session provided for Interstate Commerce Commission supervision. (Press of May 15.)

Minor changes in the Norris bill for Federal regulation of the meat packing industry were agreed upon May 14 by the Senate Agriculture Committee. In revising the bill, the committee restored a provision terminating jurisdiction of the Federal Trade Commission over investigations and affairs relating to the meat business, except upon specific direction of Congress. The Commission's powers would be transferred to the proposed live stock commissioner under the Department of Agriculture. (Press of May 15.)

A bill creating an Agricultural Foreign Trade Financing Corporation with a capital stock of $50,000,000 will be introduced in the Senate within the next few days by Senator Norris of Nebraska, according to the New York Times of today, which says: "The corporation will be designed to finance the sale of surplus crops abroad. Capital for the corporation would be advanced by the Government from the profits of the United States Grain Corporation, and there would be an authorization under the bill to issue and sell debentures up to $500,000,000. Loans would be granted to farmers on long term credits, so that their crops could be sent to foreign markets. The farmers in turn would be required to purchase from the corporation capital stock to the amount of 10 per cent of the value of their exports."

Approval of an application for advances of $2,000,000 in connection with the shipment of cotton to foreign ports for warehousing and distribution is announced by the War Finance Corporation. It also announces $1,600,000 advanced to date against cotton already exported. The advances, the Corporation states, have been approved to finance the exportation of cotton from American interior points and American ports under contracts calling for shipments from October to December. (Press of May 15.)

Cooperatives

"The Pennsylvania Bureau of Markets," is the title of an article by J.C. Gilbert, its acting director, in Pennsylvania Farmer for May 14 which states that Pennsylvania has 164 farmers' cooperative business associations. Some of these were organized under the law of 1887 but since the enactment of the cooperative law of 1919 practically all associations are availing themselves of its privileges. "Cooperation is so simple that it has met with disaster at many points along the line and for the very reason that it appears so simple. No business will run itself no matter what its foundation principles are. More cooperative associations have failed because of lack of proper management than anything else," the author says.

Crop Insurance

"This is a new thing for farmers - this crop insurance," according to E.H. Kirkpatrick, in an article in The Michigan Business Farmer for May 14, which continues: "The company which wrote the policies in the south last year, and other sections, too, calls it 'crop investment insurance.' New Jersey farmers are talking about the new policies; Middle West farmers are asking about them; Georgia and Florida are testifying about them. ... 'But what effect will this have upon farming? Will it foster careless farming methods, and encourage farmers to rest on their oars, depending on their insurance money rather than their efforts? Policies will not be issued to such farmers. The companies who write this new kind of insurance will choose their risks with care. The character of the man will cut just as much ice as the character of his farm, his crops and his farming methods. ... Every man who takes out crop investment insurance will have to satisfy the insurance company that he is a dependable risk."

Crop Reports

"The announcement that either the U.S. Grain Growers Inc., or a branch of the American Farm Bureau Federation expects to establish a crop-reporting service makes pertinent a review of existing services of this kind. First of all, there is the work of the Bureau of Crop Estimates and Bureau of Markets of the United States Department of Agriculture. The work of the Department is carried on in the interest of all classes. ... Their work is exceedingly valuable, and the only work which can be free from the criticism of the possibility of prejudice. Then there are the reports of the boards of trade, the grain exchanges and commission houses. It is generally and naturally assumed that these reports are colored to suit the convenience of the people who gather them. In other words, they are not only gathered for the information of speculators and traders, but are given to the public to influence the markets in whatever way these traders desire. There is still a third class of crop reports. These come from manufacturing concerns having products to sell in the agricultural regions. ... What the farmer needs more than anything else is an understandable interpretation of accurate statistics from the farmers' standpoint. He needs some economist to tell him what will probably happen when there is a short or heavy crop of wheat in Australia or in Argentina. We are most of us not able to make interpretations ourselves. ... If the American Farm Bureau Federation could establish an interpretation department, using the statistics which could already be secured from various sources, particularly the Government, we believe that they would accomplish more good than to establish a costly and expensive system of gathering statistics." (From editorial in The Nebraska Farmer, May 14.)

Foreign Trade Financing

In referring to the advance of $1,600,000 by the War Finance Corporation against cotton already exported, the New York Times today says in an editorial: "There are reports of other loans pending, and the Corporation may yet succeed in accomplishing a great deal more than the figures above indicate, which are, though moderate, above previous expectation. The trouble is not with the ability of the Corporation, or of its management, but with the indisposition of its clients to avail themselves of its services. The activities of the Corporation are to some extent nullified by the organization of the effort to hold cotton."

Freight Rates

1. Suspension of increases in class rates to and from Mississippi Valley points was set aside May 13 by the Interstate Commerce Commission, following cancellation of the proposed tariffs by the carriers effective May 15. (Phila. Ledger, May 16.)

2. The great jump in transcontinental freight rates seems in a way to cause a general disruption of California agriculture and industry, according to a statement of the San Francisco Chronicle, quoted in today's Washington Post. It says: "The new overland rates involve for the citrus industry alone the payment of more than $8,000,000 for freight on a crop of the size of last year in excess of the amount which was formerly paid. The rates on truck and deciduous fresh fruit and on grain, lumber and all other articles which we export have been similarly increased. And on imports there is the same situation."

Grain Markets in Canada

"Saskatchewan Farmers Handle 40,000,000 Bushels of Grain Annually," is the title of an article in The Michigan Business Farmer for May 14, which reviews the origin and development of the Saskatchewan Cooperative Elevator Co., Ltd. It states that during the first years of its life it established over 40 country elevators and handled more than 3,000,000 bushels of grain. Since that time the number of country elevators operated by it has grown to over 300 and in one year it is said to have handled as much as 43,000,000 bushels of grain. The financial statement of this company for the season 1918-19 shows it to have a paid-up capital stock of $1,122,312 and a surplus of $1,969,591. Its stockholders number over 21,000.

Holstein Sale

The 76 females at the second annual sale of the Illinois Holstein Association at Wheaton last week averaged $326.60 and the 42 bulls averaged $157. Juma Longfield Homestead, bred and owned by the University of Illinois Dairy Department, topped the sale at $1,500. The top bull brought $1,100. There were 48 consignors to the sale, a large proportion of them small breeders. All but six head sold within the state and most of them to small breeders and men who purchased their first pure bred. (Ills. Agricultural Assoc. News Letter, No. 52, May 12.)

Livestock Marketing

The livestock marketing department of the Illinois Agricultural Association is formulating plans for calling together managers, boards of directors and members of Illinois cooperative livestock shipping associations. It is proposed to hold this meeting at Chicago on June 10. A similar meeting will be held in St. Louis, which will be attended by the above representatives from the state association and the local cooperative livestock shipping associations of Missouri. The date of the St. Louis conference is not yet fixed. (Ills. Agricultural News Association News Letter, No. 52, May 12.)

Michigan Agricultural Statistics

"What is regarded by agricultural thinkers as one of the most essential steps for the placing of Michigan agriculture on a sound basis was effected by the passage of the Agricultural Statistics law which provides for the collection by the supervisors of annual crop acreage and live stock figures. The law was drafted jointly by the farm bureau and the Federal Bureau of Crop Estimates and was heartily indorsed by the farmers' federated legislative committee." (From editorial entitled "Michigan Legislature Favorable to Agricultu in Michigan Business Farmer, May 14.)

National Farm Marketing Board

In referring to Secretary Hoover's suggestion of the creation of a national food marketing board as a means of relief for farmers and consumers, California Fruit News for May 7 says: "The situation to us would indicate, however, more relief to everyone concerned if effort were directed into the opposite channel — to bringing down prices of the other lines to a comparable basis with farm crop prices. This would produce the equalization sought but with much more satisfactory general results, we would say. The present effort is in the direction of bringing down values and the creation of machinery to raise values is hardly in order. ... The theoretical possibilities of a national marketing board (if one's theory of government extends to such things at all) are much less tangible than, for instance, transportation opportunity at a price that will allow the goods to move."

Packer Legislation

"Time for Constructive Legislation," is the title of an editorial in The Nebraska Farmer for May 14, which says: "The investigation of the desirability of packer legislation has cost the government thousands and perhaps millions of dollars. Up to date practically nothing has been accomplished, although we believe, and every congressman admits, that some form of sane regulatory legislation would not only clear the atmosphere but would be beneficial to all classes concerned. There is no need of further investigation. ... Down deep in their hearts congressmen know what they would or would not do. We call upon them to act."

Prune and Apricot Contracts

The campaign of the California Prune and Apricot Growers, Inc., for growers' contracts with the association for seasons after 1921, resulted in securing 81 per cent of the prune acreage and between 75 and 76 per cent of the apricot acreage. (California Fruit News, May 7)

Pure Bred Live Stock

"At the sales of the Ohio-bred Jerseys and Holsteins last week many were wise enough to do some 'hedging'. At the Holstein sale one well-known breeder was heard to say that inasmuch as he would have to lose on his offerings he would make up the loss by buying in some of the fine stock that was offered by others. Inside of 10 minutes he had purchased a matron of outstanding individuality and unusually good breeding on both sides of her pedigree for a price that was about one-third of what she would have brought at last year's sale. ... This case shows how these men plan to readjust themselves by taking their loss and restocking at lower figures at the same time. If farmers would only act more generally on this same plan they would thank their foresight a few years hence." (Ohio Farmer, May 14.)

Rice Prices

"Last year a barrel-and-a-half of rough rice would buy a pair of high-grade shoes. Shoes of this class have been reduced in price during the past year, yet today it takes seven-and-a-half bags of rice to buy a pair of those shoes, meaning that such shoes measured in rice are five times as high as they were last year, or that when measured in high-grade shoes, rice is worth one-fifth as much as it was last year." (From address by Frank Roberts, president of Calcasieu National Bank, published in N.O. Times-Picayune, May 11.)

Sheep

Wall Street Journal, May 14, in an editorial entitled "Protecting Sheep Raisers" calls attention to the serious effects on sheep raising in the East resulting from dog depredations. It says: "Sheep raising has passed almost entirely to the West. Yet in 14 eastern and northeastern states are great quantities of non-arable land where sheep would thrive. Farmers could raise them with profit but for one drawback - the prowling dogs of irresponsible owners."

Wool Pool in New York

It is estimated by the directors of the New York State Federation of County Sheep Growers' Associations that more than 1,000,000 pounds of wool will be consigned by the county associations to the state-wide pool in Syracuse during the present year. (N.Y.Daily News Record , May 14.)

Wool Clip in Canada

The wool clip of Canada for the season is estimated by the Canadian Wool Cooperative Association to be 17,000,000 pounds, or slightly in excess of last year. Western provinces share exceeds last year, totaling 4,000,000 pounds. Growers are uneasy over the probability of the Emergency Tariff bill becoming a law, as the United States has been the chief market for wool in the past, taking 57 per cent of the whole clip. Last year, however, domestic factories took 45 per cent. (Winnipeg report to Wall St. Jour., May 14.)

Department of Agriculture

Joseph P. Griffin, president of the Chicago Board of Trade, issued a statement May 13 which, according to the Associated Press May 14, said in part: "It is my deliberate judgment that the grain exchanges of the country will voluntarily close their market places rather than submit to the intolerable, unfair and arbitrary features of this (Tincher) bill. The exchanges do not protest regulation and if there be evil in their business, they have no objection to legislation if they themselves fail to eradicate such evil. The Tincher bill, as originally drafted, met with the approval of the representatives of the farmers, millers, country and terminal grain dealers and grain exchanges of the United States. Following open hearings, the Secretary of Agriculture prevailed upon the committee to redraft the pending bill so as to delegate to the Secretary of Agriculture arbitrary and authoritative powers without parallel in the history of legislation in this country. With these modifications it was presented to the lower branch of Congress with the intimation that it had received my approval as well as that of other interests concerned."

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. 1, no. 47. May 17,1921.

Secretary Wallace in a letter yesterday to Representative Curry, chairman of the Territories Committee, expressed opposition to the bill now pending before the committee to create an Alaskan development board. (Press of May 17.)

The Senate yesterday passed a bill to give states credit in apportionment of Federal road funds for areas of public lands within their borders. (press of May 17.)

Representative Tincher, author of the bill to regulate dealings in grain futures, yesterday characterized as a "bluff" the statement of Joseph P. Griffin, president of the Chicago Board of Trade, that the board may withdraw from business if the bill passed by the House becomes a law. (Press of May 17.)

Secretary Wallace yesterday announced his decision to reject appeals made to him for proposed changes in the Federal grades of spring wheat. (Press of May 17.)

Wholesale prices for April showed a decline of 5 per cent from March and 42 per cent from April 1920, in figures made public yesterday by the Department of Labor. A decline of 43 1/2 per cent is shown from the high peak prices of last May. Farm products showed the largest decrease in April with a drop of 8 per cent; food articles decreased 6 per cent; clothing a little over 3 per cent; fuel and lighting materials 3 3/4 per cent, and building materials 2 1/2 per cent. (Press of May 17.)

Arkansas Roads Tax

The census statistics show that the area of the state of Arkansas is 52,525 square miles, and as each square mile contains 640 acres this means a road tax per square mile of about $1,427, or a little more than $2.30 per acre. (N.Y. Times, May 17.)

Cotton

Tattersall's analysis of three months' trading shows that out o- 54 spinning mills, 27 declared no dividends, one disbursed 5 per cent; two 9 per cent; fifteen 10 per cent; one 12 per cent; two 13 1/3 per cent; four 20 per cent; one 25 per cent, and one 33 1/3 per cent. (Cont'd on page 2.)

Cotton (Cont'd) The average was 6 1/2 per cent per annum. Tattersall's cotton index figures compiled as of May 6 last, show a slight increase compared with last month. The average on May 6 was 179, up four points from the average as of April 8 last. (Jour. of Commerce, May 14.)

Cotton in Texas

Texas is going to curtail cotton production this year very materially, to a much greater extent than has been apparent from some reports emanating from that state lately, according to a statement in Modern Farming for May 10. It says: "Many people in the cotton belt have been skeptical of Texas, but information coming to the Louisiana division of the American Cotton Association shows that the desired result will be achieved by a combination of human effort and bad weather. South Texas has heretofore been a doubtful issue in the reduction campaign."

Crops in Europe

That Central Europe is emerging from its agricultural depression is the statement of a cable from Berlin to this morning's Washington Herald. It says that prospects for German crops are extremely favorable; Hungary, practically a nonproducer for two years, is coming through with a bumper production of hay, potatoes, beets and other standard crops; Austria is in a similar position, with every prospect of the most successful farming year since 1914. Only in Jugo-Slavia is there a falling off in the optimistic crop estimates, but reports from neighboring countries raise the average throughout the southern and eastern territory far above the average for the last six years. Official government statistics show that winter wheat is in good condition, but that hay, clover and the better grades of fodder were somewhat retarded by dry cold in early April. Spring grains are in a favorable condition.

Farm Conditions in the West

"I am glad to report a decided revival of hope and confidence in the sections I have traveled; both the business men and the farmers talk less about the past and more about the future," writes Theodore H. Price from San Antonio, Tex., to New York Daily News Record of May 16. He says: "Among the bankers there is still more or less concern expressed over the 'frozen loans' that they have had to carry, but it is admitted that some of these loans are being thawed out by the warmth of the easier money market, and even in the cotton producing region the situation is now regarded with the philosophy that begets cheerfulness. ... In Chicago the larger merchants are very thoroughly liquidated. ... They are therefore in good shape to meet any strain that may be incidental to the harvest season and the men in the grain trade say that this year's crop will have been produced at a very low cost."

Farm Implements

"Cheaper Farm Machinery?" is the heading of a dispatch from Youngstown to Wall Street Journal for May 16: "Forecast reduction of the price of agricultural implements ... will be beneficial to the steel industry through the resultant stimulation of the businesses of these steel-consuming interests. Owing to the high prices of agricultural implements and the severe shrinkage suffered by farmers on their crops, little business has been done in this line for some time. ... Further price cutting is said to be impending under the lead of International Harvester Co."

Farm Situation Improves

"Willingness of the agricultural community to accept less for their produce has been enhanced by the downward trend of expenses and costs. Labor is the chief item on the farm budget; and a considerable reduction in the price of labor, resulting, of course, from an increased supply, has taken place in the last few weeks."
(Wall Street Magazine, May 14.)

Financing Agriculture

1. "Money for Cotton Loans," is the title of an editorial in New York Commercial for May 16, which says, in part: "Chairman Meyer of the War Finance Corporation, is entitled to considerable credit for the active manner in which he has gone about the work of obtaining practical results since Congress brought it back to life. He has believed all along that it was possible to do something to help the agricultural interests of the country, and while it might not be possible to do everything the farmers expected, the mere fact that some movement was being made would have a favorable psychological effect. ... The present price of cotton represents a market value, but an absence of one, and is, therefore, more or less nominal. The time will come before long when mills will find it necessary to replenish raw material and it should be found that in due course Germany will get back into the market. ... The proposition to place cotton in foreign ports ready for distributive demand is a sound one and should lead to something definite in the way of results."

2. The banking position in the country districts in the middle western states is about normal for this period of the year, the liquidation of loans to farmers has taken place in about the same proportion as the floating debt has been taken care of in other parts of the country, according to a statement of G.A. Rogers, President of the Abilene National Bank, Kansas, in The Magazine of Wall Street, May 14.

Financial Conditions

The outstanding feature in financial and business conditions is that the whole world is gradually going upon a lower interest basis. Since the first of the year the bank rates at London, Stockholm, Copenhagen, Switzerland, Calcutta, Boston, Atlanta, Minneapolis and New York have been reduced. ... Such unity of action shows conclusively that the period of most acute tension in the great financial markets has passed for the time being at least.
(Financial Age, May 14.)

Foreign Trade

1. A further falling off in the value of our exports of merchandise to foreign countries is indicated by the official statement for April. The total is, however, much in excess of the amounts for prewar times, an outcome due in considerable measure, if not wholly, to the high level of prices that still rules, as compared with these earlier periods, notwithstanding the more or less marked deflation in progress in recent months. The prices of a vast majority of the commodities that go to make up our export trade, while well below those of a year ago, continue appreciably above the level of, say, 1914.
(Commercial and Financial Chronicle, May 14.)

2. "Why my Business has Seldom Shut Down," is the title of an article by A.B. Farquhar, president of the A.B. Farquhar Company, Ltd., in System for June, in which he states that in every business depression, except the present, which has involved the whole world, he has
(Cont'd on page 4)

Foreign Trade (Cont'd)

2. found the export side of his business to be "little short of a Godsend. He says: "I have found it wisest when we had plenty of orders at home to pay less attention to foreign trade and then to expand again when the home market grew dull. This naturally involves an organization which is always in light marching order and prohibits the setting up of extensive branches or the incurring of heavy fixed charges of any kind which would entail a heavy and entirely useless expense during periods when export trade was allowed to become slack."

Foreign Trade Insurance

"A Proposed Plan of Government Insurance against Political Risks in American Trade with Europe, is the title of an extensive itemized statement by George McFadden in The Economic World for May 14. It is presented as "a memorandum prepared by one of the most widely known cotton merchants in the United States, with the object of suggesting a possible remedy for one of the greatest of the practical obstacles that have been encountered in the working out of plans for the development of the country's export trade with the newer and politically less settled countries of Central and Eastern Europe." The statement concludes: "The missing link in the machinery of distribution is insurance against losses resulting from invasion and revolution, and this insurance can only be provided by a government."

Foreign Trade Relations

Referring to the recent trade agreement between Germany and Soviet Russian which, it was said, became effective May 6, The Commercial and Financial Chronicle for May 14 says: "According to the text of the pact, it will continue operative 'until a commercial treaty is completed, and provision is made that either party may terminate the agreement by giving three months' notice.' It was also set forth in the agreement that 'it is to be a binding basis for the resumption of trade relations and to be interpreted in the spirit of a mutual desire to promote prosperous and economic relations between the two countries.' The agreement further provides for the exchange of commercial delggations between Germany and Russia."

Indian Water Buffalo for United States

In an article entitled "An Agricultural Tip from India," in the University of California Journal of Agriculture for May, J.L. Cohen, Principal of the Sangli Agricultural School, says: "The Indian Water buffalo, known in the Philippines as the Caraboa, has the possibilities of becoming a most useful dairy animal. ... Thus far, results have shown that she is almost entirely free from tuberculosis and is resistant to tick fever. She probably will not stand the rigors of the cold northern states, but should be perfectly at home in the southern sections of the country as also throughout nearly all of California. ... With such scientific treatment as the modern dairy cow is receiving, the water buffalo should prove to become a milk-producing machine of very real economic importance in those sections of the U.S. just mentioned."

Pulpwood Embargo

Proposals for either an embargo or heavy export tax on pulpwood were made in the Canadian House of Commons May 16 by the agrarian member from New Brunswick. "The policy of the United States in discriminating against Canadian farm products will cause Canada to advocate this course," he said.
(N.Y. Times, May 17.)

Teaching Marketing

"Thirteen colleges in the U.S. are now said to be teaching 'marketing.' This is interesting. One wonders, however, how much of the thirteen courses are devoted to marketing and how much to creating a 'class consciousness' in the farmer to disassociate him from his neighbor and usually his creditor in town." (Price Current-Grain Reporter, May 11.)

Department of Agriculture

1. "Marketing Information is Needed by Farmers," is the title of an article in The Wall Street Journal for May 16, which says, in part: "Farmers need better market information. In the case of perishable fruits and vegetables they should know how to ship to make an evenly distributed supply instead of a glut in one place and a scarcity in another. In the case of world-wide commodities, like wheat and wool, they should have information in regard to production and supply in all competing countries. The costs of marketing at every step from producer to consumer should be gone into and the lights turned on. ... The experts of the Department of Agriculture should approach this subject in the same spirit as the scientific men pursue their search for scientific truth."

2. "The bills to regulate and control the packers and the grain trade have had the approval of the Secretary of Agriculture as well as of congressional committees. ... What do the Secretary of Agriculture and the authors of these bills expect to gain by forcing the Government upon the greatest lines of business in the world - the American grain and live stock and meat packing trades? Ostensibly and presumably to put money in the farmer's purse. Unless by some magical abracadabra the enforcement of the acts will enhance prices of grain, what the Department shall do with them will not be worth to the farmers two whoops in a cave. As it is quite inconceivable that meddling with the free movement of live stock and meat and grain can add anything to the price the farmer will realize, the upshot of the whole matter will be simply that the wretched practice of multiplying vexatious laws will have been gone through with once more to no purpose, save that something will have been put on the statute book to serve as a means to politically bamboozle the farmer and add several hundred names to the civil service payroll. ... " (Price Current-Grain Reporter, May 11)

Select List of Books Added to Library

Cotton year book, 1921. 16th year. Manchester, Eng., 1921. ("Textile mercury" annuals)

Higgins, Sir John M. Address delivered by Sir John M. Higgins, chairman of the British Australian wool realisation association ltd., in Melbourne, on the 17th of March at a conference of representatives of every section of the Australasian wool industry. 1921.

Laut, A.C. The fur trade of America. 1921.

UNITED STATES DEPARTMENT OF AGRICULTURE

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Vol. 1, no. 48. May 18, 1921.

A bill to standardize containers used in marketing fruits and vegetables was favorably reported yesterday by the House Weights and Measures committee. It proposes to eliminate about 30 sizes now in use by substituting 5 sizes of stated dimensions. (Press of May 18.)

House members from agricultural districts have organized to press legislation affecting the farmers, with Representative Dickinson of Iowa as chairman. Senators from agricultural states recently formed a similar bloc. (Press of May 18.)

The United States Railroad Labor Board yesterday announced its intention of revising downward the wages of more than 1,000,000 unskilled rail workers effective July 1. The amount of the decrease will be made public June 1. (Assoc. Press, May 18.)

A decline of 2.7 per cent in retail food costs of the average family for April as compared with March was reported yesterday by the Labor Department. On prices of 43 articles from 51 cities, 31 showed a drop, 10 an increase and 2 no change. For the year to April 15, a combined decrease of 28 per cent was reported. (Assoc. Press, May 18.)

The pressing need of stabilizing foreign exchange and the necessity of American exporters making greater efforts to sell what foreign importers want were pointed out to the National Association of Manufacturers in New York May 17 by representatives of several foreign countries. The note principally stressed by each was the depressing influence of unfavorable exchange rates. (Phila. Ledger, May 18.)

A referendum covering fifteen questions of an agricultural nature now pending in Congress will be voted upon by the 2,000,000 members of the American Farm Bureau Federation, it was announced in Chicago yesterday. The principal questions include: "Do you favor legislation on making short selling of farm products illegal? Do you favor putting the packing industry under Government regulation? Are you in favor of continuing the excess profits tax? Do you favor the submission to the states of constitutional amendments prohibiting the issuance of exempt securities?" (Phila. Ledger, May 18.)

Agricultural Education in United Kingdom

England and Wales possess an extensive system of agricultural education, well coordinated under the general supervision of the education branch of the British Ministry of Agriculture and Fisheries, according to Commerce Reports for May 16, which gives a detailed account of the work. It states that the system includes a broad and comprehensive scheme of agricultural education and extension work for both sexes of all ages, all ranks, and in practically every department and phase of agricultural endeavor and kindred occupations. Full courses extend over three or four years, and lead up to a diploma and degree; shorter courses are provided.

Cooperative Fruit Growers' Canning Business

The origin, development and business methods of the Puyallup and Sumner Fruit Growers' Canning Company are reviewed in System for June, by W.H. Paulhamus, president of the company, who tells how this association built up from a business with a capital of $1,200, and annual sales of less than that, a berry business capitalized at $1,000,000, which did a business last year of $5,000,000. The author says: "There is no golden path in the canning business. ... What has made the business has been attention to the detailed management. ... I am convinced that if our vigilance were let down at any point in the program our business would cease to grow."

Cooperative Marketing of Beets

"In spite of the fact that the organized sugar beet growers of Michigan have apparently failed to make a 'collective' contract for their 1921 crop with the sugar companies, their efforts in this direction have without doubt strengthened their cause while the manufacturers' refusal to deal with the growers collectively has weakened their position and placed them in an unenviable light before the great bar of public opinion. ... This is the day of collective bargaining, and with further constructive work along the line of this year's campaign by the association this principle is bound to win, and the sooner the sugar manufacturers recognize this fact the better it will be for them, and the important sugar industry of this state." (From editorial in The Michigan Farmer, May 14.)

Cotton

Shareholders of the Fine Cotton Spinners and Doublers Association are disappointed with the past year's operations. Dividends declared totaled but 4 per cent for the period, while the net profits of the company were only 122,000 pounds, according to a Manchester dispatch to the New York Daily News Record, May 17.

Cotton in Lower California

The 1920-21 cotton crop in Lower California is considerably in excess of 85,000 bales, which is much greater than the crop estimates had indicated. The amount exported before April 1 of this year was 84,706 bales compared with 57,525 bales before April 1, 1920, but the price obtained for this year's crop was only $6,891,018, against $11,932,539 last year. (Commerce Reports, May 16.)

Cotton Manufacture in South

"The manufacture of cotton goods in the southern states, which was initiated half a century ago on the principle that fabric might be economically produced on the ground where the raw material is grown, has been highly successful and yet has reduced the cost of goods to the public through cheap labor and longer work days than those prevailing in the northern states. It is now declared that every yard of cloth produced under present conditions is made at a loss and that (Cont'd on page 3.)

Cotton Manufacture in South (Cont'd)

the mills are kept running in the main for the purpose of maintaining the industry and keep the surrounding country from slipping back into poverty." (The Economist, May 14.)

Farmer-Banker Conferences

"Illinois farmers and Illinois bankers will meet around the table in ten different parts of the state this month, to discuss some of the financial questions of the farmers and the farming questions of the financiers," according to The Orange Judd Farmer for May 14, which also states that the ten cities are each representative of groups into which the bankers have divided the state for purposes of the meetings.

Grain Trading

1. Referring to the Tincher bill, the Wall Street Journal of today says editorially: "This bill, no. 5676, to regulate grain exchanges, contains one good feature - that of the elimination of 'indemnities' or 'ups and downs'. But instead of stopping there it goes on to a hurtful meddling with the futures market. Section 4 practically recognizes the legitimacy and the necessity of future sales. This is a great advance in Congressional thought. But after arriving at this decision the House ignored the contract with the people for less government in business. ... And then the power of life and death to an exchange is placed with a governmental officer - the Secretary of Agriculture. ... He is given arbitrary power in this, and there is no appeal from his decision. Is this 'less government in business'? Benevolence may have exuded from the House when it passed this bill, but good intentions are neither bread nor freedom of action. ... "

2. An editorial in The Prairie Farmer for May 14 cites a specific case of manipulation of the Chicago grain market on January 21, 1921, when "there were some very rapid changes in both future and cash prices of wheat, precipitated by the Armour grain interests selling blocks of March futures. There had been no sudden change in the world's supply or demand. All the news had been optimistic. This optism was supported by a statement given out the following Monday by the U.S. Bureau of Crop Estimates. ... On the Friday morning in question the price of wheat advanced two cents. Then Armour began to sell and a near panic followed. ... And yet Mr. Griffin tells us that prices cannot be manipulated."

3. "Liverpool grain dealers expect Liverpool to become the world grain market owing to American Federal and state legislation regulating and prohibiting trading in futures. America has only to send along the business and Liverpool, which has all the registration machinery in working order, could handle the world's grain market well." (Part of Liverpool, Eng., dispatch of May 17 to N.Y. Times, May 18.)

Greek Consortium

On May 12 the Greek Minister of National Economy introduced into the Chamber of Deputies a bill to create a consortium and to exercise absolute control over all foreign exchange transactions, according to Commerce Reports, May 16.

Labor in Minnesota

The demand for farm help in Minnesota compares favorably with that in other states, according to the Minnesota Farm Bureau Federation. Returns from 30 counties showed $35 to $40 the prevailing scale, with the supply of help ample at this rate. (Commercial West, May 14.)

Middleman Sustained

"The current craze to get rid of the middleman is not a new one by any means. ... The broker's charges are moderate but they are always too great in the estimation of the man who doesn't have any need for a broker's services. ... The elimination of the broker, as certain kinds of 'cooperators' now desire to do, would add enormously to the cost of marketing grain and hay and products in certain localities and thus be an injury to both producers and consumers by cutting out a factor which makes for economy in marketing."
(Price Current-Grain Reporter, May 11.)

Nitrate Pool in London

Announcement is made of the sale of 2,000,000 tons of nitrate by the Chilean Nitrate Producers' Association to a nitrate pool in London, the price fixed being 14 pounds per ton. Should the pool be forced to sell below this price, the loss will be borne equally by the pool and the producers, and payment of export duties to the Chilean government is guaranteed, even in the event that there are no sales by the pool. (Press of May 18.)

Packer Regulation

" ... Both Secretary Wallace and Thomas Wilson agree that the regulating should be done by the Department of Agriculture. It would appear from this that the packers have come to the sensible conclusion that it is foolish to fight against the inevitable. No one wants to hurt the packers by excessive Government interference, the farmers least of all. At the same time, this industry is so big and of such vital interest to the farmer and the general public that its operations should be under the eye of the Government."
(From editorial in The Prarie Farmer, May 14.)

Prices

"There is no likelihood that farm products will again sell at war prices nor at prewar prices. As we have pointed out repeatedly, there was a steady current of slowly rising values on farm products before the war owing to the increase in population and the relative decrease in the food supply. As these forces are still in operation we may look for steadily increased prices for foodstuffs as compared with manufactured articles from raw materials that are still plentiful. The one thing necessary for the restoration of active trade is readjustment of prices that will be fair to the farmer."
(Farmer and Breeder, May 15.)

Production Problems

"While this better marketing movement is needed and conditions demand it, there is apt to be some disappointment in the saving that will be effected thereby. After all, farmers are finding that their time and attention are bringing the largest returns when devoted to the larger problems of production. More fertile and better fitted soil, the best seeds, superior animals and the proper organization of the various activities of the farm are the farmer's big problem. He must not shirk his part in helping to bring about needed market reforms but at the same time he cannot forget that for himself as an individual the production problems require nine-tenths of his time and attention." (From editorial in The Michigan Farmer, May 14.)

Prune Situation

The prune situation is the subject of an article by F.R. Kerman in the University of California Journal of Agriculture for May, in which he covers the supply; prices; freight tariffs; internal difficulties, and possible future development.

Pure-Bred Live Stock

"Don V. Moore, Secretary of the Interstate Fair, and also Secretary-Treasurer of the International American Association of Fairs and Expositions, tells us that a concerted movement is on foot looking toward a uniform naming and registration of all pigs entered at any fair belonging to the American Association. This is a step in the right direction, as also is the effort to make proper apportionment of special awards offered by the different breed associations. ... The chief effect of this resolution will be to compel every breeder in the country who wishes to show purebred animals to become a member of some record association." (Farmer and Breeder, May 15.)

Wool

"The biggest sale since the inception of its wool pool was closed by the cooperative wool marketing department of the American Farm Bureau Federation last week, when a large eastern mill bought 1,000,000 pounds in one deal. The price ranged from 20 to 27 cents. C.J. Fawcett, director of the Farm Bureau wool pool, reports that 1,500,000 pounds were sold during the first week in May." (New York Daily News Record, May 17.)

Wool in New South Wales

That a select committee of the Parliamentary Labor Party in New South Wales has approved a proposal to take over the old gaol buildings at Parramatta from the state and establish there a woolen mill on the guild plan is the statement of a Sydney correspondent to the London Times, published in the New York Daily News Record for May 14.

Department of Agriculture

"The exchanges will vigorously oppose the power given the Secretary of Agriculture," says an editorial on the Capper-Tincher bill in Modern Miller for May 14, which states further that the board of directors of the Baltimore Chamber of Commerce held a special meeting and their protest reflects the fears of the grain exchanges, as follows: "We strongly protest against the passage of Bill H.R. 5676. The bill as framed would restrict free and open market and cause serious hardships to grain dealers and producers, to finance and handle grain movements economically. Banks and merchants must have open market protection. Government control of marketing farm products is impracticable and unnecessary."

Convention

1. The annual meeting of the National Federated Flour Clubs will be held at Chicago June 25, according to Modern Miller, May 14.

2. The Millers' National Federation will hold a convention in Chicago, June 29, 30 and July 1, according to Modern Miller, May 14.

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 49. May 19, 1921.

Senate and House conferees yesterday reached an agreement on the Emergency Tariff bill, and the measure will probably be reported tomorrow. The House conference delegates accepted the Senate anti-dumping provisions with only a few changes and agreed to the dye control section with the period of control reduced from six to three months. (Press of May 19.)

A joint resolution to put into effect rates in the permanent tariff schedule as soon as the bill is introduced in the House was presented yesterday by Representative Longworth, a member of the Ways and Means Committee. (Press of May 19.)

A bill to place the operation of grain exchanges in Illinois under regulation by the State Department of Agriculture was passed by the State Senate yesterday. (Press of May 19.)

British Agriculture

Among the "promising aspects" of the British Ministry of Agriculture and Fisheries mentioned in an editorial in Nature for April 28 is the Land Settlement scheme for ex-service men. At the present time about 12,000 men are provided with holdings of 250,000 acres in the aggregate, and about 160,000 acres more are needed to complete the settlement. The editorial states that the project for manufacturing beet sugar at Kelham is so far advanced that it is hoped that the factory will be in running order this year; it also states that the various councils and committees set up by the Agricultural Acts of 1919 and 1920 are in full working order, and are proving very useful. The policy adopted is that of decentralization, as it is felt that there should be as little control as possible from Whitehall.

British Agriculture Service Estimates

"The vote to complete the sum of 3,211,605 pounds for the salaries and expenses of the Ministry of Agriculture and Fisheries, during the year 1921-22 was agreed to by the House of Commons on April 19. The amount of the vote shows a reduction of 2,156,107 pounds, as compared with last year's estimates; but three-quarters of this is due to the discontinuance of services arising out of the war. We view some of the decreases with mixed feelings." (From editorial in Nature, April 28.)

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"Business Men and Farmers"

"Business Men and Farmers," is the title of an article in Farm, Stock and Home, May 15, which says, in part: "This is the way the two classes have been designated for years. Now it is pleasing to note that the town business men realize that farmers are also business men and able to apply the same principles of good merchandising to their business as are used by the town people. ... This condition exists because farmers' cooperative organizations are a business success. This spirit was well illustrated a few weeks ago when the Twin City Milk Producers Association opened its new $50,000 milk plant at Elk River. All business houses in the city closed for two hours so that the town people could celebrate with the farmers."

Canadian Cattle to Britain

It is some years since comparatively low market values in the United Kingdom rendered the export of Canadian cattle unprofitable and put an end to what had been a very satisfactory business. The depletion of beef stock in Great Britain due to war conditions, however, has so reduced available supplies of fresh beef that very high prices are being paid, and this is expected to stimulate a revival of the export trade in live cattle from Canada to that country. (National Provisioner, May 14.)

Cotton

Albert S. Burleson is offering Texas cotton in Berlin on one year credit at 7 per cent interest on the purchase price, and participation in the German profit from the sale of the finished goods, according to wireless to New York Daily News Record, May 18. Mr. Burleson is in Germany in the interest of the American National Bank of Austin, Texas.

Cotton in South Africa

Production of cotton in South Africa has risen from 41,000 pounds of seed, giving 13,623 pounds of lint, in 1910, to 2,589,200 pounds of seed, yielding 1,418,611 pounds of lint, in 1920. (Phila. Ledger, May 19.)

Farm Bureau Results

"The criticism that the farm bureau is not doing anything for the farmer will not hold in most cases. This is especially true in the case of the Niobrara county farm bureau. This bureau through its various organizations has saved at least $10,000 to the farmers of the county in the past year and increased their income in fully the same amount. ... This farm bureau has shown what organization will do. Other counties of the state are also getting in line with pure seed and marketing organizations that will be of great benefit to the farmers and others, and it is certain that within a year or two farmers will be receiving more just prices for their products." (From editorial in Wyoming Stockman-Farmer for May.)

Freight Rates

1. "Already the Interstate Commerce Commission has announced reductions which, taken in the aggregate, are far reaching, although upon specific classes of freight and in many instances for defined territories. Among the important reductions granted recently were those on road-building material by the New Haven road; sulphur from Texas points to the East and North; feeder cattle from Texas to the North; hay from Montana and Idaho." (N.Y. Times, May 19.)

Freight Rates

2. Freight rates within the state of Arizona yesterday were ordered raised by the Interstate Commerce Commission to the level in effect in interatate traffic, effective July 15. (Phila. Ledger, May 19.)

Freight Rates on Wool

"Rates on wool in grease, wool scoured, wool tops, wool noils and wool waste shipped in carloads between points in New England in effect since June 25, 1918, are not unreasonable or discriminatory, according to a tentative report proposed by Examiner Mullen to the Interstate Commerce Commission in the complaint of the Boston Wool Trade Association." (Phila. Ledger, May 19.)

Grain Marketing

"To expect any stabilization of prices, any regulation of flow of wheat so that its marketing will spread out evenly over the twelve months of the year, simply because farmers build up another marketing machine, handle the crop just as is being done by present methods, is to head straight into disappointment. The sooner this is realized, the better it will be for the American Farm Bureau Federation, the United States Grain Growers, Inc., and the wheat growers. It is idle to argue that farmers will not pool, will not tie up their crops. If that is so, then we might as well admit that all hope of farmers helping themselves is a dream. If this is true, that they will not line up to help themselves, then they must make up their minds to be satisfied with their lot as hewers of wood and drawers of water." (From editorial in Farm, Stock and Home, May 15.)

Grain Trading

"Government control of the grain trade, which would ultimately result if half of the present radical legislation should become law, is severely condemned by H.T. Rathbone, of R.T. Smith & Co., of Liverpool, England, in a recent address. ... However much a socialistic state may appeal to many of us, Mr. Rathbone said, where there are no large fortunes made and no big failures made, it is inconceivable that in any trade such as the corn trade, which is at the mercy of weather conditions all over the world, which no one can forecast, such a business can be conducted under Government control at anything but a very heavy loss to the country over a period of years." (Western Grain Journal, May 5.)

Hides

After a shrinkage of values such as was never experienced before in their history, the hide and leather markets are recovering rapidly. The conspicuous feature at present is the firmness of prices, and next in order is the sold-up condition of certain grades of upper leather. Since the first of the current year calfskin prices have been advancing steadily until they now are up approximately 10 cents or 66 per cent from the January 1 level. Packer hide quotations also are much stronger and virtually all business is being transacted on an advancing price scale. Within the last week heavy native cows have advanced 3 cents and Texas steers 2 cents. The larger volume of business now being booked undoubtedly is responsible for the price advances. (Standard Daily Trade Service, May 18.)

Hogs in Canada

In Canada there is a pronounced rebound in favor of hogs. Last fall, when the sacrifice of sows was at its height, repeated warnings were issued to the farmers by packers, who realized the inevitable effect of such a wholesale marketing of brood sows. This information (Cont'd on page 4.)

Hogs in Canada (Cont'd)

resulted in stemming the worst of the movement and many farmers now realize the value of the warnings. The rebound which hogs have shown, both in the United States and in Canada, confirms the theory of those closest to the livestock industry that the man who stays in the business through good times and bad will find it more profitable in the long run than the man who jumps in and out. (National Provisioner, May 14.)

Meat in France

Meat imports into France are limited to frozen beef from the Argentine, which comes in duty free, but must be sold at a small margin of profit under government control, according to Marseilles correspondence in The National Provisioner, May 14.

Packers' Case

"Farmer and Breeder holds no brief for the packers, ... but in the light of present conditions we think it is about time to 'give the devil his due'. Whatever may have been the shortcomings of the packers in days gone by, we believe that for several years past they have made an honest endeavor to cooperate with the livestock producers in aiding them to market their stock to the best advantage, and on the other hand they have been disposed to deliver their meat products to the consumer at the lowest possible cost. ... The material question is, are the packers making unreasonable profits and in this way depriving the producer of a fair return to him, or on the other hand causing the consumer to pay an excessive price for what he buys? This is the real question involved and the only question in which the public generally is interested." (Farmer and Breeder, May 15.)

Peruvian Moratorium

Establishment of a partial moratorium in Peru by government decree was reported yesterday from Lima, according to the press of today.

Roads

Governor Boyle of Nevada told the Senate Post Roads committee yesterday that the West would be benefited by a change in the present system of allocating Government road funds so as to take into consideration the vast areas of public lands in the western states. (Press of May 19.)

Tariff in Spain

Customs duties on Spanish chemical products will be increased 50 per cent in some instances by the new tariff regulations which will become operative May 20, according to the Madrid Diario Universal. The tariff on sugar also has been raised but the newspaper does not give the figures. (N.Y. Times, May 19.)

Wool

1. Wool growers of Beaverhead County, Mont., are not in sympathy with the movement for the pooling of the state clip of 1921, which is optional to the growers, as they expect to solve their problems through the medium of the wool warehouse which is being erected at Dillon by its First National Bank. The new building, which will be completed by June 15, will receive the various clips from Beaverhead and adjoining counties in Montana and Idaho. Approximately 2,000,000 pounds of wool will be clipped in Beaverhead County this year. (Commercial West, May 14.)

Wool

2. The New Zealand wool sales are about to be resumed, extending from May 26 to June 22, according to a London cable to The Journal of Commerce, May 18.

3. The American Woolen Products Company, Inc., announces the establishment of a new Japanese office in Yokohama. Other branches in the Far East will be established in the near future. (Journal of Commerce, May 16.)

Wood Pulp in Sweden

The wood-pulp market in general is exceedingly dull in Sweden; no export sales have been reported for the past few weeks. The production of sulphite wood pulp has been reduced over 57 per cent since February and the sulphate output lessened by about the same percentage. (Commerce Reports, May 17.)

Conventions 1. A tentative program for the National Cotton Consultation Conference, to be held in New York on May 30-31, has been issued by J.S. Wannamaker, president of the American Cotton Association, and appears in Daily News Record May 17. Secretary Wallace and Secretary Hoover, Eugene Meyer, Jr., W.R. Meadows, Dr. Bradford Knapp, and J.R. Howard are among many speakers listed.

2. The next session of the Farmers' Live Stock Marketing Committee of 15 will be convened in Chicago May 25. (Am. Farm Bureau Federation Weekly News Letter, No. 19.)

3. The 28th annual convention of the National Fertilizer Association, which will be held at White Sulphur Springs, W.Va., the week beginning June 20, will have a program of reconstruction and cooperation, according to The National Provisioner, May 14.

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 50. May 20, 1921.

More liberal rural credits and extension of the present six months rediscount limit by Federal Reserve banks on agricultural paper was favored yesterday by Secretary Mellon as a means of relief for farmers. The rediscount time limit for livestock paper should go as high as two years, he thought, and be extended to nine months on ordinary paper. Reduction in the Federal Reserve rediscount rate, Mr. Mellon said, was not of itself sufficient to afford farmers credit facilities required. (N.Y. Times, May 20.)

More efficient regulation of the meat packing business by the Government is urgently needed, Secretary Wallace declared yesterday. The Secretary said that under proper Government supervision the packers might be permitted to do a number of things hitherto prohibited. He thought the cost of distributing meats and meat products could be reduced if packers were allowed to engage in the retail business. A big business, he said, was not necessarily a corrupt one. He felt that no great headway would be made in reducing the costs of meats and meat products to consumers until the packers were allowed to engage in retail selling. (Press of May 20.)

Secretary Hoover has begun a study of the probable effect on American commerce of the termination of a score of commercial treaties between the United States and foreign nations which prevent the imposition of discriminatory duties on goods carried in ships of those nations. The President is directed by the Merchant Marine act to abrogate these treaties. President Wilson refused to abide by the direction of Congress, holding that Congress was without authority in the matter. President Harding's views on the subject have not been made known, nor has there been any explanation of the purpose of the study undertaken by Mr. Hoover. (N.Y. Times, May 20.)

The dollars earned and spent by the average family now will buy approximately 25 per cent more than a year ago, reports of the Labor Department showed yesterday. The dollar now is worth approximately 65 cents, as compared with the prewar dollar. In May, a year ago, when prices were at their highest the dollar was worth 37 cents. The increase is approximately 27 per cent in value on the basis of one year ago. (Wash. Post, May 20.)

American Farm Bureau Federation Indorsed

Referring to a statement in a recent issue of The Country Gentleman to the effect that the American Farm Bureau Federation had not "made good" at Washington, an editorial in The Eastern Dealer in Implements and Vehicles for May 12 says: "It is generally conceded that the American Farm Bureau Federation is a splendid organization, headed by officers who have proven to be wise in their acts, and it was hoped by all that this organization of farmers would be able to serve the best interest of the membership and at the same time work with other agencies to bring about more confidence between Americans. That the Federation should have representatives at Washington and also at the various seats of state governments was apparent to all as a good move. So long as our legislative bodies are composed of 75 per cent lawyers, ... it is wise for organizations like the Federation to be on the job with a club."

Auction of Fruits and Vegetables

"Among the various methods of selling farm products the sale by auction especially in the fruit trade is increasing in importance. It is claimed that sale by auction has so many advantages that many students of the marketing problem are of the opinion that one way of reducing the cost of marketing is to make it possible to sell all farm products at auction in the large wholesale markets. Today there are about sixteen American cities in which are held regularly public auctions of fruits." (From an article on "Auction of fruits and vegetables" in the Wis. Div. of Markets, Market News Letter for May 13)

Canadian Proposed Legislation on Dumping

In connection with the pending tariff legislation in the United States, The Canadian Minister of Finance said in the budget speech on May 9: "Changes ought to be made in the customs act with a view to securing a more efficient carrying out of the principle of the dumping provisions. Much of the unemployment at present existing results from the importation into Canada of goods at prices below the cost of production. ... A further change should also be made having regard to the valuation of goods imported from foreign countries whose currencies have greatly depreciated." (Commerce Reports, May 18.)

Cooperative Marketing

1. "Pure Cooperative Marketing Vs. Speculative Marketing," is the title of the second article in a series of five by Bruce Lampson, ass't organization director of the Washington-Idaho Wheat Growers' Ass'n., in The Montana Farmer for May 15. This article discusses fundamental principles and objects of the pure cooperative marketing associations, and shows how they are narrowing the spread between producer and consumer. The article says, in part: "The grower who refuse to organize and cooperate with other growers and thinks that he is 'tending to his business' by individually matching his selling ability against the buying ability of highly organized speculators, with their highly trained specialists to do their buying and selling, reminds us of the bull trying to stop the freight train. ... Distribution must conform to economic principles. The pure cooperative distribution plan which has been so successful in California and other places for both producer and consumer is in very striking contrast to the highly organized speculative system. This cooperative plan provides that the distributors shall be organized producers of a commodity. They should sell direct as possible through highly trained specialists, so that the consumer's price will be less and more produce consumed and yet the grower receive more for his products. ... We can point to years of

(Cont'd on page 3.)

Cooperative Marketing (Cont'd)

1. of slow cooperative development in New Zealand and Denmark. Its great possibilities have been proven beyond a shadow of a doubt in about 30 California organizations which sold last year $300,000,000 of farm products. This was 45 per cent of the total farm product value of that state.

"The cooperative movement has swept over Oregon in the name of the Oregon Dairymen's League, the Oregon Poultry Producers' Association, and Oregon Growers' Association. Its fundamental principles are embodied in the New York Dairymen's League and the Michigan Potato Growers' Exchange. The Texas cotton growers are now organized to sell their own product cooperatively. The Canadian wheat growers are now organizing upon this same pure cooperative plan, as are the wheat growers of Washington, Idaho, Montana and Oregon."

2. "There are thousands and thousands of well-heeled and powerful gentlemen who would like nothing better for the various cooperative farmers' marketing movements in this country than complete failure, and it is regrettable that opposed to them in active, intelligent, sympathetic work to make them successful is only a relatively small part of the farmers themselves. Probably a hundred different causes, singly and in combination, work to make the rest of the farmers either lifeless drags in cooperative movements or active opponents to their success. ... It will take education - a great deal of it - to bring about the attitude in community relationships that will make it possible for the farmers and their families to work together as they should, in one-hundred-per-cent fashion. Right at this day is a critical period for farmers' cooperative ventures." (From editorial in The Montana Farmer, May 15.)

Cooperative Organizations Management

"The history of cooperative organizations in America is marked by many failures. These failures are due to a variety of causes but more frequently are they due to poor management than to anything else. ... Farmers' cooperative organizations have been slow to recognize the fact that a good manager is the foundation of success of a cooperative association. While some of them like the California Fruit-Growers' Associations have recognized this fact and are paying their managers high salaries, the great majority of farmers object to a high salaried manager. Unless these farmers change their point of view they will never succeed in improving the conditions under which they have to market their products at the present time. (From an article entitled "Management of Cooperative Organizations" in the Wis. Div. of Markets, Market News Letter for May 13.)

Cotton Consumption in Japan

Returns issued by the Cotton Spinners' Union of Japan, quoted in the Yokohama Chamber of Commerce Journal, show that the foreign raw cotton used by the members of the union during the second half of 1920 amounted to 900,000 bales, a decrease of 153,060 bales as compared with the first half of 1920. Imports of Indian cotton into Japan during the second half of the year totaled 585,015 bales; American cotton 273,242 bales; and Chinese cotton, 16,054 bales. (Commerce Reports, May 17.)

European Research on Vitamines

The American Food Journal for April presents abstracts, prepared by Dr. Edward Preble, of several of the more important contributions to foreign journals on the subject of European research on vitamines. The papers covered include: Vitamines in Relation to Scurvy and Rickets; Lack of Vitamines and Starvation; The Water soluble B Vitamine Content of Certain Vegetables; Modern Questions of Nutrition.

Forestry Survey of Chamber of Commerce of U.S.

In its endeavor to formulate a national forestry policy, the National Forestry Policy Committee of the Chamber of Commerce of the U.S. will not confine itself to a study of principles embodied in bills before Congress but will make an exhaustive study of the subject in all its different phases. In this connection it passed a resolution at a recent meeting that "there should be cooperation between Federal Government and the states as well as private timberland owners to forward a national forestry policy."
(N.Y. Commercial, May 19.)

Freight Rates

"There is a transportation crisis at hand. ... Steadily mounting costs for freight hauls at a time when prices for raw products from the farm have slumped away below the ten year level, threaten to drive the marginal producer out of business. ... Generally speaking you must regard the railroads in one of two ways - either they constitute privately-owned property to be operated as the owners and managers see fit, or they are public utilities of foremost importance which should be operated, not from the standpoint of dollars and cents returned, but real economic service to the people of the nation. The fact that the people of the land are now guaranteeing a fixed interest return on the railroads' own investment figures should give them a controlling voice in determining policies of operation." (From editorial in Montana Farmer, May 15.)

International Calf-Show

"To Oakey Beall, Burnt House, W.Va., we are indebted for the suggestion of an International Calf-Club Show. From observing the results of the calf clubs in his section and reading of results in others, Mr. Beall believes that the boys' and girls' calf clubs are the greatest factors in the promotion of the Hereford business. He says that many new herds of registered Herefordshave been started in his state directly as a result of the boys' and girls' experience with these clubs. To further encourage the young folks and to increase the good that comes from this sort of promotion work, Mr. Beall suggests a series of elimination contests centering finally in one big show to be held each year at the International Livestock Exposition at Chicago ... We are inclined to the opinion that a successful contest of this kind would prove of great benefit to the industry." (From editorial in Am. Hereford Journal, May 15.)

Jugoslovakia Agriculture

Dr. S.Y. Grouitch, Minister of the Serbs, Croats and Slovenes to the United States, in his address before the conference on world trade at the convention of the National Association of Manufacturers, May 18, surveying possibilities for trade between Jugoslavia and the United States, said that the principal agricultural products of Jugoslavia included Indian corn, cereals, especially wheat, and vegetables. Fruits, especially prunes, also occupy an important place in the national wealth. Cattle occupy the second place in the country's
(Cont'd on page 5.)

Jugoslovakia Agriculture (Cont'd)

production. Great numbers of sheep, cattle and pigs were exported before the war and will again be as soon as new herds can be bred. Tobacco is produced in great quantities in Bosnia and southern Serbia. Macedonia produces great quantities of opium. (Jour. of Commerce, May 19.)

Motor Transport for Market Stock

In an article under the title of "Motor Trucks Haul Stock to Market," in The Breeder's Gazette, May 12, F.W. Fenn, secretary of the National Motor Truck committee of the National Automobile Chamber of Commerce, states that last year 6,000,000 cattle, hogs and sheep were shipped at small expense and with ample dispatch in rubber-tired cars from corn-belt farms and feedlots to stockyards. He says: "Today the farmer by reason of good roads and the use of the motor truck is able to haul his cattle, hogs and sheep to railroad sidings, where carlots are formed and shipped through to the stockyards at a great saving of time and money. The use of trucks for such work is now extensive. The stockyards in Louisville, Cincinnati, Indianapolis, Kansas City and Omaha receive large consignments in this way. In one day 5,445 hogs were received at Indianapolis. The number of hogs slaughtered in St. Louis alone amounts to 32,000 annually. On each hog-slaughtering day 1,000 hogs are moved by motor truck across the Mississippi river. This represents a saving of $430 daily, or of $13,760 in a year."

Tariff

"Rather definite warnings were issued by several of the foreign ambassadors at the convention of the National Association of Manufacturers on Tuesday evening that if the United States insisted on constructing a tariff wall it would have to expect retaliatory measures. Ambassador Jusserand declared that a high tariff would close the American market to French goods, at the same time lessening the French demand for American goods. Other ambassadors made similar statements, all of which emphasize what economists have realized for some time, that the war has made such a difference in our foreign relations that we cannot isolate ourselves as in prewar days. The greatest change in the situation lies in the fact that we are a creditor nation, whereas in the old-time high tariff days we were a debtor nation." (From editorial in N.Y. Commercial, May 19.)

Department of Agriculture

Referring to the compilation of statistics on the production and sale of farm operating equipment now under way under the supervision of S.H. McCrory, of the Division of Rural Engineering, an editorial in The Eastern Dealer in Implements and Vehicles for May 12 says: "This effort on the part of the Government will be greeted with general satisfaction, for despite the importance of the undertaking and notwithstanding the many efforts made by the manufacturers themselves, it is a well-known fact that there is comparatively little information of a reliable character on farm operating equipment production. ... It has been felt that an impartial agency, such as the Department of Agriculture, would be able to obtain the desired data, and assurance is given that the fullest cooperation will be given the Government by farm operating equipment manufacturers."

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 51. May 23, 1921.

Forty million bushels of wheat in four Northwestern states - Montana, Idaho, Washington and Oregon - have been pooled to be sold by the United States Grain Growers, Inc., this year, U.L. Burdick, head of the North Dakota Farm Bureau Federation and a Director of the Grain Growers said May 21. The Northwest Wheat Growers' Association has decided to join the United States Growers organization, Mr. Burdick said. (N.Y. Times, May 22.)

"The Northwest Wheat Growers' Association has decided to join the United States Grain Growers Inc., and in four Northwestern states 40,000,000 bushels of wheat are reported as 'pooled'. That is not a wheat corner, and the conspiracy is not in restraint of trade because the conspirators are farmers who are licensed to do such things by the same statute which punishes others who do them. If the farmers are pooling their grain with their own resources, Wall Street and the bankers will have nothing to say to the contrary, but really the farmers ought not to ask for assistance from the money power in the activities of their combinations 'not for profit.'

"It is fair to make that suggestion because the farmers and planters are asking credit to hold their crops at the same time that they are asking other credits for the planting of this year's harvest, and are complaining that their credits are restricted. Even while they are combining for the marketing of their crops in their own way Secretary Mellon was publicly expressing his views in favor of more liberal rural discounts, extension of the present six months' limit on agricultural rediscounts and fixing of two years for rediscounts on cattle paper.

"Farmers and planters should have all the credit they need for either raising or moving their crops. They should not have exceptional facilities for speculating in them. ..." (From editorial in New York Times of today.)

"The creation within the State Department of a bureau of foreign commerce to take over the duties now performed by its office of Foreign Trade Adviser, the Bureau of Foreign and Domestic Commerce of the Department of Commerce and the Foreign Markets Service of the Bureau of Markets, Department of Agriculture," is the recommendation to the joint executive and congressional committee on reorganization by the Institute of Government Research, according to the press of May 22.

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ricultural chinery

"Sales of agricultural machinery have not developed and more price cuts by manufacturers of tractors have been announced in an effort to stimulate buying. Recent reductions have been limited to a few makers, and we look for announcements of lower prices from more makers in the near future." (Standard Daily Trade Service, May 20.)

operative irying

"Top Prices for Market Milk," is the title of an article in Hoard's Dairyman for May 20, which states that milk producers' associations the country over turn to the "City of Brotherly Love" for a lesson in the peaceable handling of market milk difficulties. It says that though selling difficulties are not unknown in the Inter-state Milk Producers' Association, its officers have been strikingly far-sighted in their policies and broad-minded in their relations with the distributors and consumers. The article closes its review of the development of the Inter-state Milk Producers' Association as follows: "It sells milk by satisfying the public and the distributors in conference; it equalizes prices throughout the year so far as possible; it defines market milk and manufacturing milk, and makes separate prices for the two; and it engages in any other work besides selling which will improve market milk conditions."

operative rketing in lifornia

"California Steps Out: Its Farm Bureaus are setting a Big Business Pace," is the title of an article in The Country Gentleman for May 21, by Richard Wells, who reviews at length the cooperative marketing movement in California. He says, in part: "The California rancher has 160 different kinds of crops to market, each with its peculiar drain on energy and resourcefulness. Wherefore your California rancher, fruit raiser, cattleman has to lean shoulders with his neighbor. He cannot go it alone. Hence cooperation, which has built up the extraordinary business of the California Fruit Growers' Exchange, of the Associated Raisin Company, of the Prune and Apricot Growers' Exchange. The farm-bureau idea is cooperation right down to the basement."

tton Land in frica for rench Use

An immense African irrigation project to enable the French colony to raise France's cotton instead of leaving the country dependent upon the United States is contained in a bill recently presented in the Chamber of Deputies by Minister of the Colonies Sarraut. The plan will require the expenditure of about 250,000,000 francs for damming the Upper Niger in the French Sudan and irrigating 375,000,000 acres under an engineering scheme developed by a French commission during the past two years. (Paris dispatch to Wash. Post, May 23.)

otton orkers

The operative cotton weavers have rejected the proposed reduction in wages. Card room workers are expected to follow suit in a few days. (London dispatch to Jour. of Commerce, May 20.)

airy arketing

Several counties in southern Minnesota have formed a cooperative organization of the creamery men for the purpose of standardizing and marketing their butter, buying creamery supplies, and promoting in general the interests of the creameries in these counties. We look upon this as an important move, for unless the cooperative creameries adopt a plan for standardizing their product and for marketing it in carload lots, they are likely to suffer in the future. (Hoard's Dairyman, May 20.)

Freight Rates

"The Freight Revolution," is the title of an editorial in The Country Gentleman for May 21 which says, in part: "High freight rates have effected a revolution in the United States. They have thrown a cordon like a wall of spears round New England to keep out the hay and corn and other bulky freights of the Middle West. For the first time in nearly half a century the Yankee farmer finds himself able to grow these products in competition with the silt soils of the Mississippi and Missouri river valleys, while the greenhouse grower of Boston sells hothouse vegetables along with the early grown field specialties of the Southeast, Southwest and West. ... Every shipper is seeking the nearest route to water. River, lake and coastwise steamers are busy, while railroads are laying off men and sidings are a snarl of cars. The only prosperous railroads are those touching the Gulf. ... In addition to their loss of long-haul freight many railroads are having a fight with motor trucks for short-haul business. ... Farmers particularly have found some good paths leading out of the freight briar patch. To nearly every region has been blazoned the obvious benefits of diversification - growing your own food and feed, and shipping the feed to market in the manufactured and concentrated form of animals and animal products. Broadly speaking, however, all industries have been hurt, the farmer especially, for he is the biggest shipper in the country. For the benefit of the general public, our industries and our railroads, rates must be lowered as rapidly and as much as possible."

Grain Marketing

"The question whether the present system of marketing grain is the best system is an open one. In considering that question we should take into account its opportunities for further improvement as well as the history of its development. It is not correct to refer to abuses long ago corrected as a still existing danger - corners for instance, now made practically impossible. Nor should we forget the opportunities the present system affords for cooperation in marketing and its advantages in protecting cooperative as well as other handlers of grain. ... Neither should we overlook the fact that the present system is the only one that has stood the test of time, with so many advantages and so few disadvantages remaining after a long period of trial. That the future will bring forth either a better system or further improvement of the present system is beyond question, for when many men are thinking seriously about any problem some changes are inevitable. ... The objections raised to the existing plan of grain marketing arise mainly from and center about the fact that speculation is a part of it. ... Even if it were possible to eliminate speculation by law in this country it would survive, the centers of it merely shifting to Winnipeg, Montreal and Liverpool. It will survive in some form somewhere just as long as men deal in actual grain as they do now. Therefore if the present system is to pass away a better system must be supplied to supplant it. The representatives of organized producers believe that they have discovered that better system, they propose to establish it. ... Time alone can reveal the measure of their success." (From editorial in National Stockman and Farmer, May 21.)

Grain Trading

1. "At Springfield, legislators would pass two bills that would result in the closing down of the Board of Trade. These bills would not destroy the grain dealer or speculator. They would merely force him (Cont'd on page 4.)

Grain Trading (Cont'd)

1. to move to another state. The farmer would still be dependent upon him to establish a market price for his grain, and who is there to say that a price established in Indiana, or Wisconsin would be more equitable than the one arrived at by the same process in Illinois?" (From editorial in Chic. Jour. of Commerce, May 19.)

2. "Killing business to reform it is hardly rational, but it is the panacea urged by many representatives in Congress and elsewhere. The legislature of Illinois is now considering two bills of more than local interest. If enacted into law these two would destroy the grain business in Chicago, probably to the great benefit of some other city not necessarily in this country." (From editorial in Wall St. Jour., May 21.)

3. "Declaring that if the Chicago Board of Trade is abolished by unwise legislation England will name the values of America's grain crops, the Illinois Manufacturers' Association has sent a bulletin to its members urging opposition to two measures now before the state legislature. The two bills have for their object the prevention of 'hedging' and for the regulation of exchanges and the licensing of operators." (Phila. Ledger, May 23.)

Montana Council of Agriculture

A direct connection between the agricultural and livestock interests of Montana and the new state department of agriculture was established by the organization of a council of agriculture at Helena, May 9. According to the plans of Commissioner Davis, the council will act as an advisory board which will assist the department in dealing with the agricultural problems of the state. (Montana Farmer, May 15.)

Motor Trucks for Farm Use

A brief article in Scientific American for May 21 reports a demonstation of the saving of 20 teams by one motor truck as used by F. O. Simeson, of Limestone, Aroostook County, Me., on his 160-acre potato farm situated 7 1/2 miles from the station, yielding approximately 24,000 barrels. It would have taken him 1,200 working days with one team to haul this distance; with the truck it was accomplished in 70 days.

North Dakota Politics

"The New Day Wanes; Financial Clouds Darken North Dakota's Handmade Millenium," is the title of an article by Philip S. Rose in The Country Gentleman for May 21, which describes the political situation in North Dakota.

Pure-Bred Cows

The rapid decline in the prices of dairy products emphasizes the necessity of weeding out poor producing cows, of improving the quality of dairy products and advertising their value. The uneconomical dairy cow not only causes a loss upon returns for feed consumed but she supplies a sufficient quantity of product which assists materially in depressing the price of dairy products. The poor quality of dairy products is a large factor in decreasing consumption. When the consumer purchases butter, cheese or milk which does not appeal to his palate, he lessens his consumption of these products. It is not overestimating facts when we state that people will eat from 10 to 50 per cent more dairy products when of high quality than if they are of poor (Cont'd on page 5.)

Pure-Bred Cows (Cont'd)

quality. Three prominent factors stand out before the dairy industry; better dairy cows, higher quality dairy products, and advertising them that the consumer may know their food value. (Hoard's Dairyman, May 20)

Quinine Culture in the Philippines

According to the director of the Philippine Bureau of Science, large available areas in Luzon and Mindanao Islands are highly adapted for quinine culture. At present there is one small quinine plantation in Baguio, which is under the supervision of the Bureau of Forestry and the results obtained from its operation indicate the success of the industry. (Commerce Reports, May 18.)

Tariff

"That a strong fight is to be made to include hides and vegetable oils in the dutiable list of the permanent tariff law was disclosed when it became known that a majority of the members of the House had signed a petition to that effect. The petition which was circulated by the Southern Tariff Association on behalf of the southern producers will be presented to Chairman Fordney of the Ways and Means committee by a delegation of 50 congressmen, May 26." (Wash. Herald, May 23.)

Water Transportation

One thousand cases of eggs, said to be the first shipment from California to New York by water, are on their way. Poultry producers of Central California said the shipment was an experiment and that if successful more than one-third of transportation costs would be saved to shippers who send their products to Atlantic Coast ports. (Press of May 20.)

Wisconsin Tobacco Growers Association

"The Wisconsin Division of Markets is helping materially in carrying on the work of organizing the Wisconsin Tobacco Growers' Association which is to be a cooperative association ... Meetings are being held daily in the tobacco growing sections and it is hoped that by August 1st 50 per cent of the acreage will have been signed up." (From an article on the Association in the Wis. Div. of Markets, Market News Letter, May 13.)

Wool Pools

Eighteen states have formed plans to pool the 1921 wool clip. If the pooling system of marketing wool can live and grow in a year such as that passed in the sheep industry it ought to be able to stand anything. Any enterprise lives or dies on the service it renders and the wool pool idea has sold itself because it paid. The Ohio warehouse has already received a half million pounds from 800 consignors. (National Stockman and Farmer, May 21.)

Wool Situation in Britain

Some of the big worsted mills in Yorkshire are closed entirely, while others are working very short time. There is no doubt that the wool textile trade is passing through the waters, and the next few months will sweep the whole industry off its feet if the current does not abate, and there is every indication at present that it will not abate. (From London Letter to Daily News Record, May 19.)

Select List of Books Added to Library

Campbell, J.C. The southern highlander and his homeland. 1921.
U.S. Federal trade commission. Summary of report on commercial feeds. 1921.

[illegible]

[illegible]

[illegible]

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Vol. 1, no. 52. May 24, 1921.

President Harding said in an address in New York yesterday: "We will do well to keep in mind at this time the fundamental importance of agriculture, and in every way possible insure justice to it. ... We are confronted by the need to place our own house in order, and no more important feature of that effort can be visioned than to place our agricultural industry on a sound basis and provide machinery and facilities for financing and distributing crops. If we do this, we merely will be providing the farmer with facilities similar to those enjoyed by the business community generally.

"The farmer is entitled to all the help the Government can give him without injustice to others, because it is of the utmost importance that the agricultural community be contented and prosperous. This must be accomplished not at the expense of any other section of the community, but by processes which will insure real justice among all elements in the community. Agriculture has been laboring under several handicaps, and is entitled to have facilities placed at its disposal which will remove these." (Press of May 24.)

President Harding said in his address on Government reorganization before the Academy of Political Science, in New York yesterday: "To bring economy and efficiency into government is a task second to none in difficulty. Few people, in or out of the government, have any conception of the growth of government business in the last decades before the world war; still fewer at all realize the pace to which that growth has been speeded up since the war started. The multiplication of departments, bureaus, divisions, functions, has resulted in a sort of geometrical increase in the tasks which confront the heads of executive departments when they face reconstruction problems. They find that with their time already mortgaged in favor of tasks which demand more hours than the day provides, they must devise means for doing yet more work, with less money.

"Fortunately, the prospect is not so hopeless as might appear, because the present organization is so bad that the insistent application of a few established principles of sound business organization will result in immediate economies and provide a margin of available means to meet new demands." (Press of May 24.)

"The statement of the Cabinet's attitude toward foreign loans placed in this country was not regarded as altogether clear by international bankers on Saturday. The principal point which caused some confusion was the implication that not all the foreign loans that have been sold here exerted a beneficial influence on American export trade. 'When the first foreign issues were put

(Cont'd on page 2.)

Cont'd from page 1.

out in this country,' said one banker, 'much was made of the point that the proceeds were to be expended here. As a matter of fact, from the standpoint of their influence upon our export trade, these were entirely without different effect from that exercised by foreign borrowings which were not directly expended here. The important point lies in the creation of a dollar credit for a foreign interest and ultimately the benefit accrues to this country. As I read the Cabinet's statement, the Administration appears to be misled by an old fallacy.' ..." (Jour. of Commerce, May 23.)

Cotton

During the past month raw cotton prices have displayed considerable steadiness, and in view of the disturbing influences at home and abroad the firm tone has been a feature of interest. ... Activity in the article has been checked by the coal strike, and the unsettled political situation in Europe. ... However, demand from dealers abroad is backing up; it is quite evident that after inactivity for twelve months many of our customers want to replenish supplies. (Tattersall's Cotton Trade Circular, May 12.)

Cotton Conference

Further progress has now been made with the arrangements for the World Cotton Conference which is to be held in Manchester and Liverpool June 12-22, according to Commerce Reports, May 19, which publishes the program as arranged to that date. It states that it is expected the American party will number about 250.

Cotton Shipping

"Shipping our Cotton," is the title of an article by George M. Massey, American representative of the Manchester Ship Canal Co., in the anniversary number of the New York Commercial, of date May 21. He says in part: "Long and careful study of the warehousing problem has evolved a special type of warehouses at Manchester for the storage of cotton, known as 'cotton safes.' Some of the most striking features of these warehouses has become an important factor in the production of raw cotton for export and the 1919-20 crop was estimated at 5,845,000 bales."

Credit Situation

With a view to showing the payment strength of the different sections of the country, the Credit Clearing House has compiled the number of claims received from the different localities during the last eleven months, showing the percentage coming from each section, in comparison with the percentage of the total population in that section, and also with the section's percentage of all merchants in the United States, according to New York Daily News Record, May 24, which publishes the detailed statistics.

Emergency Tariff Bill

By a vote of 245 to 97, the House yesterday adopted the conference report on the Emergency Tariff bill, which already had been approved by the Senate. The measure now awaits the signature of President Harding. As finally passed, the bill carries tariff duties on thirty-odd products of the farm together with compensatory duties on the articles manufactured from them. It also empowers the Secretary of the Treasury to employ penalties in staving off dumping of foreign-made goods, continues the war control over importations of dyes and operates to clarify tangles in the assessment of duties which result from fluctuating exchange rates. (Press of May 24.)

arm xports n April

Interesting features are shown in the value of exports of farm products in April, as compared with those of manufactured goods. Farmers are coming out better than are the manufacturers when values are considered. The total value of all exports from the United States in April declined $118,000,000, while those of flour and grains aggregated $56,260,219, compared with $55,893,951 in April last year. For the ten months ended with April 30, exports of flour and grain aggregated $940,582,069, compared with $627,521,274 for the same period last year. (Wash. Herald, May 23.)

arm Labor ituation n Hawaii

Hawaii's labor situation, described as serious as a result of a shortage of farm laborers, was laid before President Harding May 21 by a special commission of citizens appointed by the Hawaiian General Assembly. The commission told the President that the agricultural population of Hawaii is making earnest efforts to make tropical farming a success, but owing to the labor shortage are under great difficulties. Relief was asked. (Jour. of Commerce, May 23.)

oreign redits

"The Question of Foreign Credits," is the title of an article by William C. Redfield, former U.S. Secretary of Commerce, in New York Commercial's anniversary number, of date May 21. He says in part: "The foreign markets and our domestic needs are inextricably mingled. ... Our southern planters must export cotton. The farmers of our interior states are in similar circumstances and many a factory door must close and many a workman be workless if the current of our export trade is seriously diminished, much more if it is cut off. ... We must extend, liberally but wisely, credits which will enable these foreign friends to achieve prosperity in no small measure. We must help them to earn their way back not to solvency, for they have never been insolvent, but to the acquiring of such a proportion of liquid assets that they may out of them be able to pay, bit by bit, old debt and new, and so reduce their obligations."

ilk Problem n England

"The Solution of the Milk Problem," is the title of an article by Wilfred Buckley, technical adviser on milk to the British ministry of food from 1917 to 1920, and founder and chairman of the National Clean Milk Society, in The Landmark for May. The author states that a large proportion of the milk sold in the large cities of England would be classified as Grade C in New York," a grade which has actually ceased to exist in that city." He attributes the consistently bad supply of milk to the fact that all milk commands one price, providing no financial incentive to the producer or distributor to deliver a better article. He says: "The permanent power to classify milk is provided by the Milk Amendment Bill, introduced by the Minister of Health and seconded by the present Minister of Agriculture, a bill which is being so carefully guarded by its sponsors that public opinion is divided as to whether it is dead or sleeping."

oads

General Pershing, speaking from experience gained in France and the Philippines, told the Senate Post Roads committee yesterday that money appropriated to build roads for which maintenance was not provided was money wasted. He said that in his opinion a central body under the Federal Government, such as the highway commission provided in the pending Townsend bill, was necessary to coordinate highway construction. (press of May 24.)

Rice

The latest monthly statement of the Rice Millers' Association shows that to May 1 the total receipts of rough rice this season have been 8,557,474 bags, as compared with 6,819,298 bags last year. The distribution in April was 1,036,690 pockets, as compared with 680,330 pockets in April, 1920. There are stocks in mills aggregating 1,593,049 pockets, as compared with 1,036,632 pockets one year ago. It is estimated that on May 1 there were 2, 746,425 bags of rough rice still in first hands. A safe estimate of the rice planted in Arkansas, Louisiana and Texas would be 300,000 bags, and the amount fed to live stock at 412,000 bags. (Wash. Herald, May 23.)

Transportation

"The one big obstacle to business readjustment is the high cost of transporting commodities from the interior to the large consuming centers and the seaboard. ... There is a solution of the transportation problem that presents itself as of untold worth in our future development. ... The Great Lakes carry on a tremendous tonnage but river traffic has been declining rather than decreasing due to railway competition. The time has come, however, to develop our great waterways and to build and utilize canals in many places. The one big opportunity now to improve the transportation facilities of the entire northern part of the United States is putting through the proposed canals that would connect the Great Lakes with the Atlantic Ocean by way of the St. Lawrence River. Making it possible for ocean going vessels to enter the Great Lakes would benefit the commerce of the entire Corn Belt." (Ohio Farmer, May 21.)

Wheat

"That Russia should buy wheat in Liverpool seems more unlikely than 'coals to Newcastle'. Liverpool is the center of the import trade, and before the war Russia was the world's greatest exporter. Such a report is now current. Not only the wheat market of the United States but every other interest in the country is concerned in this matter. ... The news is of great importance to the wheat markets of the United States and Canada. If true, it means these countries need fear no competition from Russia for another year, and probably still other years." (From editorial in Wall St. Jour., May 23.)

Wool

The wool sales at Brisbane, Australia, May 19, closed with 85 per cent of the offerings sold, mostly medium and faulty. There was good competition from all sections and prices were generally 10 per cent below those of February. Scoured was in poor demand. (London cable to Jour. of Commerce, May 23.)

Woolen Mills in Australia

According to official figures supplied by the Director of the Commonwealth of Australia Bureau of Commerce and Industry, 22 new woolen textile manufacturing companies have been registered in Australia since March, 1920, with an aggregate nominal capital of 3,705,000 pounds, while eleven similar concerns are in course of formation, representing a total of 1,465,000 pounds. These are all in addition to the 35 woolen manufacturing concerns which were already in existence in March, 1920. (Jour. of Commerce, May 20.)

Wool Needs of Poland

At the present time the Polish wool industry has been restored to 19 per cent of the number of spindles in use before the war. Working at the prewar rate of activity, the manufacture of wool in the course of a year should aggregate 19 per cent of 98,400 metric tons; or 18,700 metric tons. (Commerce Reports, May 17.)

Department of Agriculture

1. "Since distributing the last issue of The Press, which contained an article headed 'Bureau of Markets Should be Abolished,' much criticism from the Bureau itself has been received and it seems that the officials are ready to take issue on the subject because we have plainly set out to the public just what the Bureau is doing and what is being inspired in the minds of the people. If it be right for what we call a branch of the Government to create positions in the counties, states and the United States for theoretical men to fill, who are paid from the taxes paid by the business men as well as those paid by the farmer, and who seem to be without limitations as to authority, and who, if permitted to go farther in the paths broken will finally hang themselves, if they have not already done so, surely the business men are within their rights when they oppose such form of government for their own protection. ... We wish our members would give me in a letter, as soon as possible, all the information in your possession relative to the activities of county agents and other agents of the Government who are endeavoring to put the middleman out of business and substitute a political system in the interest of the producer. ... Members who are interested in abolishing the Bureau of Markets will consider this a personal appeal and lend a listening ear and helping hand."
(From editorial in The National Hay Press, May 16.)

2. "American Agriculture," is the title of an article in the New York Commercial Anniversary number, of date May 21, by E.T. Meredith, former U.S. Secretary of Agriculture, who presents a review of the work of the Department of Agriculture. He says in part: "Working separately and cooperatively, the Department of Agriculture and the state experiment stations have been applying the method of research to the problems of the broad interests of agriculture until the results have given the business of farming a broad, substantial basis of known fact. Although only a few short decades have elapsed since this constructive work was begun, and although very much remains to be done, enough has been accomplished to show the practical value of scientific research in agriculture and how indispensable it is to advance still further in this field as modern requirements demand. It is one of the most significant lessons of the past half century; and another is that the financial returns from farming depend upon the observation of sound business principles."

3. "M.L. Moser of Eureka, president of the National Association of County Agricultural Agents, said: 'At present a county agent is required to know something of the business side of farming as well as the technical side,' to which respect we beg leave to differ. The Federal law creating the county agents is very clear and distinct on the proposition that the county agent shall teach technical agriculture only ... Moreover, Dr. True, ... says their activity in this respect is distinctly forbidden by the Department."
(The National Hay Press, May 16.)

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Vol. 1, no. 53. May 25, 1921.

A meeting of House Republicans was called yesterday for June 1 to consider the Longworth resolution which would authorize the Ways and Means committee to make import duties proposed in the permanent tariff bill effective immediately upon its introduction. (Press of May 25.)

"Although the plan favored by the Ways and Means committee of the House of Representatives making the new schedules of the permanent tariff bill effective upon the introduction of the measure in the House has its counterpart in the practice of Great Britain, France and other countries having the parliamentary system, it is decidedly novel in our own legislative procedure. ... The argument in favor of the proposal is that wherever higher duties are proposed, the long period that usually elapses between the introduction of a tariff bill and its final enactment by the Congress and its approval by the President affords opportunity for importers to flood the country with foreign goods at the lower rates, thus in effect 'robbing the Treasury' and causing serious losses to American industry. Indeed, the Ways and Means committee in its report estimates that the revenue losses to the Government from this practice are likely to run up into hundreds of millions of dollars.

"There is, however, a false analogy in the argument that similar legislation to that now proposed has been in force in many countries for many years, because the relations between the governments and the legislative bodies in those countries are very different from those which prevail in this country between the Executive and Congress." (From editorial in Phila. Ledger, May 25)

Senator Sheppard, of Texas, yesterday proposed in an amendment to an appropriation bill that Federal funds be used to indemnify cotton planters in areas where non-cotton zones are established to stamp out the pink boll weevil, provided the states affected appropriate a like amount. (Press of May 25.)

An interstate highway system such as is contemplated in the Townsend bill would prevent recurrence of many difficulties experienced in highway transportation during the world war, Roy D. Chapin, war-time chairman of the transportation committee of the Council of National Defense, declared yesterday before the Senate post roads committee. (Press of May 25.)

Agricultural Conditions

"The secretary of the Kansas State Live Stock Association, at a recent 'round-up' at the Fort Hays station, said: 'The American farmer has suffered in years gone by, but never before was he called on to carry such a load as today.' Secretary Wallace has on more than one occasion said substantially the same thing. There is no evidence that either is right. Both are class conscious. One might be inclined to agree with them, however, if one did not know that 'agriculture' has creaked in this same way before and gotten over it. Surely Iowa, let us say, or Kansas, is not quite so poor and forlorn as they make out, even now, when twenty years of prosperity have ruined them. ... One would, furthermore, like to agree did one not know that during this last as during former periods of great prosperity, the farmers' standard of living advanced nearly if not quite as rapidly as that of other ranks of society. ... Every generation of American farmers has had its period of discontent, yet every generation has found them wealthier, living much better and enjoying comforts which their fathers and grandfathers never dreamed of seeing. ... The fact is that the American farmer is today going through an experience which both his father and grandfather went through before him and is going through it in the same way and for the same reason, but is more bitter about it than they." (From editorial in Price Current-Grain Reporter, May 18.)

Agricultural Education in Switzerland

An article on agricultural education in Switzerland in Commerce Reports May 20 states that agricultural extension and home-economics work as known in the United States, is not carried on in the Berne consular district. According to the Swiss department of public economy at Berne, the confederation does not occupy itself with agricultural instruction directly, but restricts itself to granting subventions to the agricultural schools founded by the cantons and to giving contributions to the cantons and agricultural societies for the courses and lectures arranged by them.

British Tariff View

"The general principles on which the Government is proceeding to subsidize certain selected industries on the ground that they are necessary in time of war, or are especially hard hit by the results which followed from the last war, are fairly clear. Certain industries are held up as deserving cases, and we are asked to subscribe to their support. We are not asked to subscribe any particular amount, for the customs duty of 33 1/3 per cent will affect different industries in different degrees. But the general effect of the duties will be to raise the prices of certain goods, and of the increased price part will go to the Exchequer and part to the favored individuals who made similar goods in this country. That is the essential principle of Protection in all its forms. There is nothing in the industrial situation today which makes it a less costly and demoralizing principle than it was before the war. The so-called key industries are not key industries in any sense that the ordinary person can understand. If every one of the industries mentioned in the schedule were to collapse tomorrow the nation would suffer less than it has suffered during a single week of the coal stoppage." (From editorial in The Manchester Guardian, May 12.)

California Eggs to London

Wilsey, Bennett Co., of San Francisco, report a shipment of eggs to London, England. They say: "This shipment is going by refrigerator compartment direct from California to England and it opens a new field and furnishes a new outlet for Petaluma eggs." (N.Y.Produce Review and American Creamery, May 18.)

Cooperative Commission Firms

"The success of the cooperative commission companies at Omaha, St. Joseph and Sioux City has been phenomenal. They are operated under the laws of the states and conform to all the rules and regulations of the livestock exchanges, with the exception of one. That exception is the method of dividing profits. The owners of the old line commission firms keep the profits themselves while the cooperative commission firms send them back to the shippers in the form of patronage dividends. For the last two years 50 per cent of all that the shippers have paid has been returned to them. The old line companies have returned nothing. ... As a matter of fact the success of these local companies will doubtless be the foundation upon which the Committee of Fifteen will build a national network of cooperative commission houses which will save the farmers millions of dollars." (From editorial in The Nebraska Farmer, May 21.)

Cotton Operatives

A reply to the assertion made by F.H. Shipley, of the Shipley-Hollins Co., in The Textile World that Lancashire is not maintaining the former quality of its cotton goods is contained in the Manchester Guardian for May 12th. It says that Mr. Shipley's real object is shown in the following quotation: "With regard to competition between English and American cotton goods, Mr. Shipley expressed the opinion that, notwithstanding the fact of higher wages in this country (America) and of exchange favorable to England in many lines of goods, both plain and fancy sheetings, England today is 20 per cent higher than on similar goods made in this country." The comment of the Manchester Guardian is as follows: "Let this, then, be the test of Mr. Shipley's sincerity. If America is making better goods than Lancashire and they are 20 per cent cheaper, there is no need of a protective tariff against Lancashire, and it should be taken off. Does Mr. Shipley agree to that?"

Cotton Trade in March in Britain

Commerce Reports for May 20 contains a detailed review of the British cotton trade in March. It states that actual business was irregular and much more activity prevailed in some quarters than in others, but, "as the Textile Recorder points out, inquiry has been decidedly healthier and there is ground for believing that a definite turn toward better times has taken place."

Direct Retailing

"For distribution of the great products of California, we believe direct trade with consumers is a delusion and for sale of large amounts of products which most producers have, impracticable. Cooperative wholesaling is the way for that - but for small producers who have perhaps more time than produce, it may be profitable. Is it? That is what we wish to know." (From editorial. "Can Farmers Retail Profitably," in Pacific Rural Press, May 14.)

Freight Rates

Representative Siegel of New York will join hands with members of the California delegation in Congress in petitioning the Interstate Commerce Commission to grant lower transcontinental freight rates on fruits and vegetables, so that New York may benefit through such a reduction of tariffs, according to the New York Times today.

Grain Marketing

"Will It Win Out?" is the title of an editorial in The Price Current-Grain Reporter for May 18 which says in part: "The merchandising of grain is an economic proposition. It should not be confused

(Cont'd on page 4.)

Grain Marketing (Cont'd)

with sentiment, not even with altruistic leanings. It is a question of business efficiency. ... It also presupposes, at least in the more intricate reaches of trade, wide knowledge of specialized commerce with peculiar experience and thorough training for it. ... Can anyone point to any one or more men named in connection with the Sale Agency, Ltd., or the committee as a whole, who can be said to possess these requisite qualifications in any particular? ... Knowing that the Agency, Ltd., must necessarily be conducted from the greatest to the minutest detail by men who have no personal pecuniary interests in the success or failure of the undertaking and are of doubtful fitness, one cannot understand how efficiency insuring a reduction of overhead expense to a level below that now existing in the handling of grain by private individuals can be conceived as possible; and yet if the overhead is not reduced below the present minimum it is certain that the Committee of Seventeen plan will be inoperative wherever it shall meet existing competition, and it will meet that everywhere." (From editorial in The Price Current-Grain Reporter, May 18.)

Grain Trading

"The method of Mr. Tincher in handling through the House his bill to curb future trading was quiet in character. It was known that Mr. Griffin of the Chicago Board of Trade had approved certain features of the bill and had suggested amendments; but Mr. Tincher, after amending the bill in certain particulars not known to Mr. Griffin, gave out the statement in reporting the bill for passage that the exchanges had approved the bill as amended by the Secretary of Agriculture. ... The whole proceeding of Mr. Tincher and his assistants was tinctured with gross trickery and not at all creditable to themselves as reputable law-makers." (Price Current-Grain Reporter, May 18.)

Hogs

"The discrimination against heavy lard hogs the present season, which is a direct reflection of the big carryover of corn, has given rise to considerable assertion that the day of lard is about done. The hog, say some, cannot compete with the oils now extracted from the cottonseed, the peanut, the corn and the cocoanut. Vegetable fats are encroaching on the field. ... We believe we have seen a trend for years toward a stronger demand for choice ham and bacon animals, and less for those that get so fat they can't walk across the barnyard." (From editorial in Orange Judd Farmer, May 21.)

Insurance on Crops

Referring to various articles in current agricultural journals advocating crop insurance, Commercial West for May 21 says in an editorial under the title, "Crop Insurance Still an Experiment," : "From the western office of the principal old-line risk company, which has been experimenting in this form of insurance, we are informed that this class of business will be written very sparingly this year and that it is hoped by next year something more definite can be determined in regard to extending this form of insurance. Two years ago, some western companies were organized that undertook to insure crops and guarantee that the farmer would either receive so many dollars per acre, or a certain yield in bushels from various crops. Most of these adventures ended in bankruptcy to the companies within a year. ... The most the farmer can hope for will be for a modified premium to pay for a policy covering the actual cost of putting in the crop, so that they will not be losers to that extent in case of crop failure."

abor in acking industry

A plan to give employees of Swift and Co., packers, a voice in the solution of problems of plant operation was announced by the company May 23. (Jour. of Commerce, May 24.)

rices

Living costs decreased about 1 per cent during the month of April, making a total of 19 per cent from July, 1920, to May 1, 1921, according to the monthly report made public yesterday by the National Industrial Conference Board, New York. The net increase since July, 1914, was 65.7 per cent. These figures are for the country as a whole and are based on retail prices of the principal elements in the family budgets. During the month, the statement says, the greatest decrease reported in the cost of any of the major items in the family budget was for food. (N.Y. Times, May 25.)

panish import tariff

The new Spanish customs tariff was issued on May 20, effective May 21, according to Commerce Reports, May 23. It is declared that the intention in the future is to eliminate most-favored-nation treatment and to establish two sets of rates of duty, with great difference between them. ... The tariff favors nations with depreciated currency and is more unfavorable to American products than the last tariff.

Tariff in outh Africa

Trade Commissioner Stevenson at Johannesburg cables that the government has decided to appoint a customs tariff board to consider tariff problems connected with the development and growth of South Africa's industries. (Commerce Reports, May 20.)

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epartment of griculture

1. Referring to the request of a reader that it publish an article on The Farmer and the Tariff, by Secretary Wallace, the Pacific Rural press for May 15 says, in part: "Yes, we do so with pleasure, because Secretary Wallace is not only a great official person, but because he has grown up in a region where the greatest fallacies have flourished and has been able to see through them and to discern the great industrial and patriotic truth which towers above them all. In the light of that truth he has seen not only present facts and conditions, but the outcome from wrong interpretation of them in national policy and practice. In this line his illumination of the claim that the greatest need of the hour is foreign trade is very striking." (From editorial in Pacific Rural Press, May 14.)

2. "In view of the present agitation and difference of opinion among New England farmers regarding the tuberculin test, it is interesting to note that Secretary of Agriculture Wallace has just asked Congress for an emergency fund of $405,000 for use in paying indemnities on condemned tuberculosis cattle. Congress has already appropriated $580,440 for indemnities for the present fiscal year, which amount is now almost exhausted. This points to a large increase in the number of affected animals over what was expected. ... The fact remains that, even with the enormous sums expended by the Federal department and the added sum spent by state indemnities, the whole amount is a mere fraction of what it would be were farmers paid full value for condemned animals." (From editorial in The New England Farms, May 14.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 54. May 26,1921.

Dr. John R. Mohler, Chief of the Bureau of Animal Industry, before the joint Senate and House Committee on Reclassification of Government Employees, yesterday asked for an amendment to the Sterling-Lehlbach bills in order to classify inspectors at higher grades than those measures now provide. (Press of May 26.)

Establishment of cooperative selling agencies for live stock in every live-stock center was the principal subject under consideration yesterday by the Committee of Fifteen recently appointed to investigate live-stock marketing by the American Farm Bureau Federation. Subcommittees on cooperative and orderly marketing gave their reports, urging extension of the cooperative markets already established in Chicago, St. Paul, Omaha, Sioux City, Kansas City and St. Joseph, Mo. (Phila. Ledger, May 26.)

South America has suffered severely the past year from the decline in prices and decreased demand for raw materials, the Federal Reserve Board stated yesterday in a review of economic conditions in that continent. The leading South American countries, the Board explained, are dependent to a large extent on the export of a few commodities, therefore it is highly important for these countries to have a favorable balance of merchandise trade. Price reductions in the United States for commodities composing the bulk of the exports of Argentina, Brazil and Chile had a depressing effect upon conditions in those countries. (Press of May 26.)

"There is a big squeeze in May wheat, with every indication that a 'corner', either artificial or natural, is working out. There is little wheat in Chicago, and there have been no supplies of consequence for months. It appears as if the farmers' organizations are making good their boast of last winter in the 'hold your wheat' campaign to create a big advance in prices." (Chicago dispatch to Wash. Post, May 26.)

A resolution favoring a national packers' control law that would provide for proper accounting of reports and "would give publicity, equitable and rightful protection to cooperative live-stock commission companies," was adopted at yesterday's session of the conference of the Midwest Farm Bureau at Huron, S.D. (Phila. Ledger, May 26.)

Agricultural Referendum

A questionnaire is shortly to be submitted to the entire million and a half membership of the American Farm Bureau Federation, to take a nation-wide referendum on questions of agricultural legislative interest, according to the Illinois Agricultural Association News Letter No. 53. The questions are to be based upon the national legislative program formulated by the executive committee of the A.F.B.F. at its conference with representatives of 26 state federations at Washington several weeks ago.

Cotton

Frank Kerr, secretary of Greenwood, Miss., Chamber of Commerce, states that the grade and staple of its cotton rivals Sea Island. It handles from 130,000 to 160,000 bales of cotton annually which with the seed and by-products represent a value of $35,000,000 to $40,000,000; it is the largest inland long-staple market in the world. A single one of its firms handles over a tenth of the state's crop annually. (N.O. Times-Picayune, May 20.)

Dairying in Mississippi

"A new chapter in the history of the dairy industry in the south and in Mississippi's development as a butter producing state probably will be written as the result of a three-days visit to New Orleans by a committee representing the Mississippi Creameryman's Association. The committee came here to study marketing conditions and have announced plans for a new form of trade offensive expected eventually to replace thousands of pounds of northern butter sold every year in New Orleans with Mississippi-made butter." (N.O.Times-Picayune,May 21)

Danish Exports

Germany is taking practically all of Denmark's exports of horses, cattle, and milk and the larger part of its exports of beef, while Great Britain is by far the larger purchaser of its butter, eggs and bacon. (Commerce Reports, May 24.)

Egg Prices

Prices on some farm products have gone below prewar levels in Mercer County, Pa., according to reports received by the county farm bureau. The greatest drop is noted on two staples, butter and eggs. Many garden products, notably radishes, lettuce and onions, are virtually at 1914 price levels. (Phila. Ledger, May 26.)

Emigration to Mexico

The Mexican Land Co. plans to establish a colony of American farmers upon a tract of 300,000 acres of land about 65 miles from Tampico and the Tamesi River. It recently purchased this land and to encourage American colonization the Mexican government has arranged to furnish free transportation. (Phila. Ledger, May 25.)

Fruit Marketing

The Oregon Growers Cooperative Association was organized Aug. 1, 1919, with 137 members controlling 3, 000 acres. The present membership is 1,648, with a control of 28,838 acres, Loganberries handled by the association amounted to 1,072,956 pounds averaging growers 12.7 cents a pound. Cherries averaged the same price, with sales of 1,014,955 pounds. The average of other berries a pound is as follows: Gooseberries, 7.9 cents; raspberries, 20 cents; strawberries, 16.09 cents; currants, 10 cents; green prunes, 4.4 cents. Of pears the association sold 402 cars into 50 markets. New York city was the greatest market. The association handled 27,514 crates of broccoli, selling 85 per cent of carlot shipments out of the state, developing 38 markets. (California Cultivator, May 14.)

ur Farming n Canada

Commerce Reports for May 21 publishes statistics on fur farming in Canada from a recently published official report. This states that in 1919 the Dominion Bureau of Statistics began the annual collection of returns of fox farms in Canada. The returns show that 424 fox farms, 3 mink farms, and 2 raccoon farms were in operation in Canada in that year. The fur-bearing animals on the farms at the end of the year 1919 numbered 8,396, valued at $3,201,388, which included 7,181 silver foxes, valued at $3,110,915. There were born in captivity during the year 1919, 5,048 silver, 510 patch, and 174 red foxes, and 40 mink. Of the 429 farms reporting in 1919, 244 were operated by individuals, 87 by partnerships, and 98 by joint-stock companies.

Land Values

"Putting Land Values Back to the Normal," is the title of an article by R.L. Slaughter, in Commerce and Finance, May 25, which says in part: "Do the increased interest rates paid by farmers at present indicate a weakening of the farm mortgage as an investment security? ... In the final analysis the safety of the farm mortgage rests on the value of the land constituting the security. Therefore, that which is of utmost importance to all investors in farm mortgages is how will such conditions affect land values. ... Present conditions have infused ultra conservatism in the minds of purchasers of lands and great economy in the operation of farms. This situation has come about in time to provide ample safety, especially to investors who have kept a 50 per cent margin of value in their mortgages. Prices of live stock and farm products are now pretty close to prewar levels. Farm labor is sufficient and coming down much more rapidly than labor supported by better organized unions. ... That the market must rise to a point that will make the industry profitable is a sound fundamental of economics. ... Farm mortgages, conservatively made, for a term of years at the present high rates certainly should be worth a substantial premium long before maturity."

Live Stock

Eighteen new Illinois counties, making 24 altogether, have been reported on in the survey being conducted by the Live Stock Marketing Department of the Illinois Agricultural Association. According to the survey there is a marked decrease in beef cows and heifers in the 24 counties, 15.6 per cent. A decrease of 5.1 per cent in dairy cows and heifers is noted, a decrease of 1.3 per cent in sows and gilts and a decrease of 6.7 per cent in ewes. (Ills. Agric. Assoc. News Letter, No. 53.)

Nitrate Situation in Chile

"Chile's abnormal exchange situation is predominantly a matter of trade balance. There is no outward movement of merchandise, since Chile is, to all intents and purposes, a one-product country. ... The country's prosperity pivots around nitrate. The present situation is this - the world is 'oversold' on nitrate. Europe, which consumes by far the bulk of Chile's annual production, can not digest any more. The large nitrate traders in Chile have on hand 800,000 tons of surplus stocks, which means they have to finance 16,000,000 pounds worth of product until next August, when the new buying season becomes active." (The Economic World, May 21.)

Pigs for British Market

"The butcher of today requires a pig weighing at the most 80 pounds, and for preference one of 64 pounds. For pigs of this size he will pay top price. ... The Dutch, Danes, and other competitors

(Cont'd on page 4.)

gs for itish arket (Cont'd.) have studied this matter closely and supply what is required. The home producer, on the other hand, insists on growing his pigs to 12 and 14 stone weight, and it is his own fault if he loses money by doing so." (From a statement in the London Times by M. J. Rowlands, a British pork grower, reprinted in Commerce Reports, May 23.)

otash in lsace The total production of the Alsatian mines in 1913 was 350,341 tons, corresponding to 53,000 tons of pure potash; in 1919 the production was 464,607 tons, corresponding to 92,006 tons of pure potash; and in 1920 the total reached 1,061,191 tons, corresponding to 199,230 tons of pure potash. (Commerce Reports, May 23.)

otash ariff "A prominent member of the fertilizer industry, who is thoroughly familiar with the potash situation both in the United States and abroad expressed himself on Saturday as unable to agree with the domestic potash producers in their efforts to secure a tariff on potash. ... He gave it as his opinion that a tariff on potash would place a burden upon the farmers without accomplishing any permanent good for the country." (Jour. of Commerce, May 23.)

roduction "There have been times recently when some have believed there was no longer need to study the science of crop and live-stock production, and that soil fertility and crop rotations belonged to the past. We have been talking much of markets, of economics, of supply and demand, and exportable surpluses. ... Of course to the extent that the farmer gets into these phases of his work he is no longer a farmer, but a merchant or a manufacturer, and, strange as it sounds, a middleman. We think it is not at all a bad idea for the farmer to mix into this phase of work which is so intimately bound up with his profits, but he should realize that it is a separate and distinct trade. No system of marketing or distribution, no matter how efficient, can remove the fundamental necessity for efficiency in farming. ... Sooner or later the region that can produce better crops at lower cost must be met in the market place, and no tariff, no contract, no pooling plan will be sufficient to meet that competition."
(From editorial in Orange Judd Farmer, May 21.)

ussian gricultural onditions The 1920 harvest in Russia is described in the report of the British Parliamentary Committee to collect information on Russia as "menacing," so far as cereals are concerned, and the hay and fodder crops as "almost a complete failure." Wireless reports from Moscow in January indicated that the transport and other difficulties would make it impossible to obtain the required grain. (From a comprehensive review of the report in N.Y. Daily News Record, May 25.)

ar Finance orporation The War Finance Corporation announces it has made an advance of $125,000 to an American exporter, to assist in financing the export of tobacco. The product is to be moved to England and Denmark. (Press Release, May 25.)

heat 1. "In the making of world prices, Australia is of growing importance, particularly at about this time of the year when our crop season is nearing its end. ... Since the war the Australian production of wheat has almost doubled, the surplus all going for export.
(Wall St. Jour., May 24.)

Wheat

2. "Every little while some one comes forward with the declaration that even if the organized wheat growers of the United States secured control of two or three hundred million bushels of grain for cooperative marketing, they would be unable to exert any appreciable influence upon general prices. Saturday afternoon, May 7, a report from the Board of Trade of Chicago was sent broadcast to the newspapers throughout the entire country, reading in part as follows: 'Reports of rains in the southwest wiped out Friday's pessimistic reports of crop conditions there. The close was 3 1/2 to 6 3/4 cents lower'. In other words, the speculative interests at present in control of the wheat market can take a report of a rain that may or may not increase the grain yield of some wheat-producing section 100,000 bushels and bring about a drop of from 3 1/2 to 6 3/4 cents in the market price of the grain available in the market that day. Should not a quarter of a million bushels of wheat in the hands of organized producers be able to exert an influence on the market somewhat commensurate with that of a more or less uncertain variation of a hundred thousand bushels in the next season's supply?"
(From an editorial in The Oregon Farmer, May 19.)

Department of Agriculture

" ... Attacks on all farm activities promising permanent relief from the oppression and exploitation of the past are coming in ever increasing volume. They used to go little farther than spreading false propaganda and inflammatory denunciations. Now, however, they are carrying them to the very halls of Congress, seeking there to abolish those offices and agencies that have shown themselves effective in solving farm problems. As a sample of what is going on and to justify our warning that we have a fight on our hands, we quote a particularly malicious attack upon the United States Bureau of Markets and the County Agent force. Coming as it does from the very headquarters of the Grain Dealers' National Association it bears a significance not to be attached to the casual kick. Quoting an editorial appearing in the March 20th issue of Who is Who in the Grain Trade, issued from the office of Secretary Charles Quinn, Secretary-Treasurer of the Grain Dealers' National Association, Toledo, Ohio, we read: 'If the farmers desire to build cooperative elevators and to market their grain in a cooperative way, let them do it. The complaint of the Grain Dealers National Association is not against the farmers but against an insidious institution supported by the people's taxes and called the Bureau of Markets. ...'

"Our notion is that the grievance back of this paragraph is that the Bureau of Markets, together with the county agents, is forcing the grain dealers to play the game squarely with the farmers. May we not here recall a case in point. ... The challenge has been thrown down. Let us meet it by asking Congress to enlarge the Bureau of Markets and further strengthen county agent work." (From a lengthy editorial in Southern Ruralist for June.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 55. May 27, 1921.

A series of measures pending before Congress were unanimously indorsed yesterday by 22 members of the Senate from southern and western states who have organized an agricultural "bloc." Among the bills to which support was pledged were those for freeing associations of agricultural producers from restrictions of antitrust laws in marketing their products, for regulating grain and cotton exchanges, for requiring alleged wool fabrics sold in interstate commerce to bear marks indicating the percentage of wool and shoddy content, for similar branding of paint and for regulation of cold storage. Regulation of cotton futures sales was also included in the list. Chairman Kenyon announced at the close of the session that the "bloc" would meet again June 2 and consider any action its members might desire to take in supporting measures designed to promote the financial welfare of farming sections. He stated that extension of agricultural credits, and possible improvement and enlargement of the land bank system would be given attention at the next session. (Press of May 27.)

The packer control bill was taken up by the House yesterday for unlimited debate. It was approved by the Agriculture committee without a dissenting voice. Chairman Haugen, of the committee in charge of the bill, explained that with existing laws it gave the Secretary of Agriculture complete "inquisitorial, visitorial, supervisory and regulatory" powers over the packers, stockyards and all their activities. He told the House that it extended further than any previous law in the regulation of private business in time of peace, except possibly the Interstate Commerce Act. (Press of May 27.)

The first of a series of conferences with financial interests to discuss the Administration's plans in regard to the flotation of foreign loans and the revival of American manufacturing and agricultural industries and export trade and to obtain their cooperation was held at the White House May 25, when President Harding had eight prominent bankers in conference with him, together with Secretaries Mellon and Hoover. The discussion revolved first about the Administration's request that the banking interests, in floating further loans for foreign nations here, should, as far as practicable, make the condition that the proceeds be devoted to the settlement of outstanding obligations or spent to stimulate this country's industry and exports. The financiers expressed a willingness to go to almost any extent in cooperating with the Government where it appeared that the national interests would best be served. (N.Y. Times, May 27)

Canadian Tariff

That the Canadian Government did not intend to amend the tariff immediately because of the passage of the Fordney bill by the United States Congress, was the statement made by the Dominion Minister of Finance in the House of Commons at Ottawa yesterday. (Press of May 27)

Civil Service Reclassification

Secretaries of State, War, Commerce and Labor testified yesterday before the joint Congressional Committee considering reclassification legislation and expressed their views on the subject. Secretary Hughes urged that authority be lodged with the President that would enable him to readjust classifications from time to time as needs of the service might require, subject to definite principles prescribed by law. Secretary Weeks indorsed the proposal to reclassify the civil service employees and bring about fair and equitable pay. Secretary Hoover said he thought the Smoot-Wood bill appeared to be workable as to classification. He believed the allocation of employees should be left with the heads of departments. Secretary Davis stated that because of the fact that certain subordinate officials of his department, protected by the civil service, were unable to grasp his ideas concerning the policy that should be pursued in the administration of the department, and they could not be removed, the department was handicapped in its administration. (Press of May 27.)

"Class Legislation"

"It becomes evident that certain city interests have developed a plan for holding farmers in their place. 'Class legislation' is to be the slogan. Whenever any plan is proposed to benefit agriculture, we shall have it denounced as 'class legislation.' Federal land banks, agricultural education, agricultural departments, any of the plans for improving farm life, will be bitterly attacked. The very men who do this will belong to groups which have benefited more from class legislation than any other people in the country. The unequal distribution of wealth and power in this country is due to class legislation of the most vicious type. So long as farmers were unorganized the men who control things were willing to let them have education in exchange for 'business legislation.' It was expected that farmers would be 'good' and remain satisfied with what they were getting. Now, however, the farmers are learning something of their power through organization, and they want 15 cents added to the 35-cent dollar. ... Agriculture is now so completely our foundation industry that you cannot give it legislation without helping every industry in the nation except the 'industry' which robs the farmer." (From editorial in Rural New Yorker, May 28.)

Cooperative Marketing

In an editorial entitled "The Case for Cooperation," The Country Gentleman for May 28 says: "There are now at least fifteen thousand cooperative organizations in this country. ... Agricultural colleges formerly considered that their duties stopped with production, but gradually they are going in for selling. They know the difficulty many cooperative enterprises experience in getting competent managers; so courses in marketing and rural advertising have been offered for some time. ... For years we have been told that farmers would not cooperate. Nor did they want to, for they were fully occupied with production and had little time for selling. But driven to it by economic pressure they are meeting the situation successfully. ... The only question is how far they will be driven by our fool distribution system."

Cotton

Farm and Ranch for May 21 publishes the last of the series of articles by M.L. Hallenbeck on his plan for cooperative cotton milling at the cotton fields. This article outlines the proposed constitution for the cooperative cotton mills, in which the state would be named as the partner.

Egg Transportation

"Making Transportation Safe for Eggs," is the title of an article in The Rural New Yorker for May 28, prepared from facts obtained from the American Railway Express Company. The latter states that it has paid out, to date, for the year 1920, to shippers or receivers of eggs, $1,267,000 in settlement of claims.

Farmers Influenced by Propaganda

Senator Norris of Nebraska, chairman of the Senate Agriculture committee has written the heads of all national farmers' organizations warning them that they are being "unconsciously" influenced by propaganda against the Federal Trade Commission, which, he says, has shown "sufficient determination and courage to oppose the crimes and sins of profiteers in food products." (Press of May 27.)

Farming

"In France, where the production per man on the land is low, the bulk of the population is still on the land. In the United States, where the per capita production of the farmer is high, the bulk of the population is in the towns and cities, and the more American farmers produce per capita the larger proportion of our farmers will go into the cities. ... The apprehension with which the relative shrinkage of our farming population to the whole has been viewed by many people is based upon two conceptions. The first is that the small landowner, being an independent producer, most nearly fits the picture of an ideal citizen of this Republic and consequently any even relative shrinkage in his numbers and influence is a detriment to the body politic. The second conception is based upon the belief that this country should run no risk of having to depend on any outside sources for food. The country instinctively feels that it should be independent of the rest of the world in all the essential raw products, both agricultural and industrial." (From an article entitled, "The Farmer's Choice," in The World's Work for June.)

Foreign Trade

"The revival of our foreign trade is said to have been the chief topic at the White House Conference. Its urgency is everywhere admitted. The farmers will understand now that it is mainly the falling off in foreign demand for American agricultural products which has forced down farm prices and blocked sales. ... The conference is an example of Government not in business but cooperating with business. ... We must have foreign commerce or our industries and our agriculture will shrivel. But foreign nations, being crippled as they are, must be aided to get credits so that they may be able to place orders here. ... There has got to be perfect understanding and willing co-working between the great industry and the large finance and the Government." (From editorial in N.Y. Times, May 27.)

Grain Trading

In an editorial under the title, "Harassing the Grain Trade," The Northwestern Miller for May 18 says: "As a matter of fact, the grain trade is not going to be forced to suspend its activities by any law which the present Congress may pass. Undoubtedly there will be modifications in its practices, and, what is more, some of these will in

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the long run prove beneficial all round; but the economical and efficient marketing of grain is so clearly essential to the country's welfare that the machinery for accomplishing it will at no time be permitted to break down. During the war the grain trade expressed frequent doubts as to whether it would be able to survive the regulations imposed by the Food Administration, and yet it found ways to adjust itself to the new conditions. Admitting the seriousness of the present situation, there ought to be no question of the collapse of the grain trade, or of what amounts to a strike in protest against unfair legislation."

rices

1. Referring to Secretary Wallace's statement in his recent St.Louis address that "the farmer has taken his share of the losses, and more," an editorial in American Agriculturist for May 28 says: "In forcing a decline of prices the Government swatting process during 1920 was particularly aimed at the farm. As a consequence most farm products are back to the 1914 level, but urban production is still 50 to 100 above the prewar basis. It is out of the question to think the country can return to the old levels. Even then farm prices were out of proportion with the prices of other products. ... Farm products must rise in price - must go up from present low levels to be on an even keel with all other products even when the latter reach their level on the descending scale that is now gradually under readjustment."

2. "We have always produced more than the public needed, but through faulty distribution millions have not been properly fed or clothed, while one class has grown rich at the expense of another. Take a case where a man grows string beans for a canning factory. He is paid 2 cents a pound - one pound furnishing the material for a can of finished product. These cans sell at, say $1.25 per dozen. That means a 20-cent dollar, the canner, of course, paying for the cans. It does not seem likely that any great improvement in methods or process of cultivation will be of great future benefit to that grower. The thing that will help most is the business improvement that will give him more of that final 10 cents a can without robbing some one else of any legitimate share. It is along that line, we think, that future improvement will be made."(From editorial in Rural New Yorker, May 28.)

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In an editorial entitled "The Ups and Downs of Dealers' Prices," Farm Implement News for May 19 says: "Whatever may have been true during the period covered by the Federal Trade Commission investigation, we think the great majority of dealers had their prices properly adjusted during later years and at the time of the peak in prices. Retail prices then carried the percentage of advance that had been made in the wholesale prices and dealers' margins were thus kept intact. Now these prices are being reduced in accordance with the percentage of reduction in the wholesale trade and the margin will still be the same in percentage. This is the way it ought to be, provided of course that pricing was correctly done before the first advance, that is, on the basis of cost, cost of doing business and a fair profit."

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May 26,

J.B. Penner, representing the Southern Tariff Association, presented a petition to Chairman Fordney, of the Ways and Means Committee, signed by 170 members of the House, calling for a "suitable" tariff on vegetable oils, hides, farm and ranch products. (press of May 27.)

Wool in Canada

With shearing season at hand, it is estimated Canada's wool clip will aggregate 17,000,000 pounds. The estimate was made by the Canadian Wool Cooperative Association and is slightly in excess of last year Western Canada's share of this total is placed at 5,200,000 pounds. (Phila. Ledger, May 26.)

Wool in China

"Wool is one of China's principal exports and millions of pounds are sent every year to the United States, Japan and Great Britain, the principal countries. But it should be realized that the potentialities of the market are even greater than its present supply, particularly with regard to quality." (From article entitled "China is Gaining in Wool Growing," in Jour. of Commerce, May 25.)

Wool Marketing

"Making Blankets and Suitings from Wool Pool," is the title of an article in the Michigan Business Farmer for May 21, which states that blanket manufacturing as a supplementary outlet to the 3,000,000 pounds of wool placed in the Michigan State Farm Bureau wool pool has proved to be a strikingly successful venture. Upwards of 5,000 virgin wool blankets, ranging in price from $6.50 to $9.50 have been sold to the Michigan public. The venture has proved so successful in a financial way that the wool department made arrangements for the manufacture of a large portion of the remainder of the 1920 and much of the 1921 clip into ladies' and men's virgin wool suitings of the highest grade.

Wool Sale at Sydney

The opening session of the eleventh series of wool sales opened May 24 at Sydney, Australia, and offerings will continue until May 31, involving a total of 27,000 bales. (Jour. of Commerce, May 26.)

Department of Agriculture

1. "If what I heard about the activities of county agents in Illinois river territory is true; if they really are putting false ideas into the minds of the farmers in line with what some of the bankers said to me, then I consider the county agent a greater menace to America than the 'wobbly,' because you know where to find the 'wobbly'! If the county agents are responsible for the unrest among the farmers which manifests itself in an attack upon the organized exchanges of this country, and such seems to be true, then the county agent in America is on a par with the communists in Russia who so terribly fooled the poor ignorant peasants. ... What I have been privately told is most astounding. Just how much is true I do not know, but men who are supposed to be teaching the science of husbandry seem to be spreading the gospel of socialism and unrest. ... Between radicalism in agriculture and the smug complacency of the exchanges, personified by their membership, there is a common meeting ground on which an enduring edifice of commerce can and must be builded. (Rosenbaum's Review, May 21.)

2. Who's who in the Grain Trade for May 20 says: "The framers of the Tincher bill, it is apparent, were at sea as to how to limit future trading, and so they just put everything in the hands of the Secretary of Agriculture, who will send his college boys to Chicago, Kansas City, Minneapolis and other cities to meddle, spy and 'nose around' the grain pits. He intends to keep a man permanently in each market and this Federal agent will have the county agent beaten a mile when it comes to gathering dope for the co-ops. ... "

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 56 May 28,1921.

The Emergency Tariff bill was signed yesterday by President Harding. The new law will become effective today and will be in effect for a six months' period on most farm products and carries a provision designed to prevent the dumping of foreign goods in this country. (press of May 28.)

Edward Chambers, vice president of the Atcheson, Topeka and Santa Fe Railroad, in continuation of his testimony before the Senate Interstate Commerce Committee, yesterday gave testimony to the effect that official figures compiled by the United States Bureau of Markets show that instead of falling off in traffic, shipments of citrus and other fruits and vegetables from California, Florida and Texas since the increased freight rates went into effect Aug. 28 last are greater than during the corresponding period of the previous year. (N.Y. Times, May 28.)

"Agricultural influence in Congress insists that a string be tied to any loans made in America to European countries. America's farmers have stinging memories of what New Zealand mutton, Australian wool, Danish butter, Argentine wheat and hides and China's soybean oil did to their markets about a year ago. The farmer is in no mood to see American money loaned to Europeans and have the Europeans take American dollars and buy foodstuffs and raw materials anywhere Europe pleases and the market is lowest. The farm group, just now finding itself and testing its strength in Congress, intends to dictate that every dollar of the foreign loans floated in this country shall come back here in exchange for American products. They have in mind the way the war loans were handled, where credits were established and the money used in paying for war materials and foodstuffs.

"President Harding had that idea also, as he is anxious that agriculture and manufacturing shall be given immediate help. It was his policy until he called that night conference of bankers and financiers. The White House may not be so certain now that such a loan is the best policy or that the original plan is a possible one. The big reason for loaning Europe funds at the present time is to help in reconstruction, rehabilitation and the re-creation of the Continental industrial fabric. The making of a market for American farm products is a considerable factor, but is only one of several factors. The first idea of the Administration was that general rehabilitation could be brought about by making possible a roaring trade between this side of the Atlantic and the other by furnishing American funds to buy American products.

"The financiers and bankers think that they see difficulties. Their

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opinion is that European rehabilitation is not quite so easy to accomplish. They would deal with it a little more broadly. 'The surest way to restore conditions is by helping the financial situation in Europe' sums up their position. The powerful financial group called to advise President Harding and Secretary Mellon came to the conclusion that loans hedged about with restrictions as to how they should be spent was a narrow policy, so narrow that it might defeat itself. As the bankers are the men who must furnish the money, it is likely that they will have a final word on the subject."
(Editorial, Phila. Ledger, May 28.)

Agricultural Legislation

Referring to the "bloc" of 22 southern and western senators organized to aid agricultural interests in Congress, The Washington Post today says editorially: "There are some excellent measures included in the program favored by the farmers, bills which doubtless would redound to the benefit of the agricultural industry and possibly bring some advantage to the public. Upon their merits these bills are entitled to the support of senators and representatives from all sections of the country. But is there any reason for singling out this one industry for special consideration by Congress? There are between 4,000,000 and 5,000,000 unemployed persons in the United States who would welcome any relief Congress could suggest. ... Senators and representatives are quite justified in carefully safeguarding the interests of their particular States and sections, but they should not lose sight of the fact that as a body they represent the nation at large and that the interests of all the people must be considered."

Cooperative Creameries in New Zealand

Several cooperative New Zealand creameries exceed the output of that at Barron, Wis., according to information supplied by J.A.Ruddick, dairy commissioner, Canadian Department of Agriculture, to Hoard's Dairyman for May 27, which states that New Zealand's creameries are each producing 1,700 tons of butter annually; that is, over 3 ,000,000 pounds each. The heaviest output of the Barron creamery was 1,805,694 pounds in 1920. The average of the eleven largest creameries in New Zealand is an output of 723 tons per year, or 1,446,000 pounds. The largest cheese factory in New Zealand last year produced 2,000,000 pounds of that product and the next eleven largest averaged 1,288,000 pounds. In 1920 there were 153 creameries and 384 cheese factories in operation in New Zealand, being a reduction of six creameries and four cheese factories as compared to 1919.

Cotton

1. A detailed historical sketch of the American Cotton Manufacturers' Association is presented in The Journal of Commerce for May 27.

2. "Twenty-five years ago there were only about 4,000,000 spindles in the South, embracing something like 350 plants, with an investment of approximately $250,000,000 and giving employment to about 50,000 people. Today there are almost 16,000,000 spindles in the South, embracing more than 1,000 plants, representing an investment of a billion dollars and giving employment to more than 150,000 operatives, with something like 600,000 people directly dependent on the industry for a livelihood." (From statement of W.D. Adams, secretary-treasurer of the American Cotton Manufacturers' Association, in Jour. of Commerce, May 27.)

Farm Loan Board

In an editorial entitled, "Remove the Board," which severely criticises the attitude of the Federal Farm Loan Board, the Pacific Homestead for May 19 says: "Congress was willing to extend the act so that any amount up to $25,000 might be borrowed on proper security but the board, which owns the act, said, 'No.' Now the farmers who are members of local associations are joining a national association so as to have representation in Washington, and secure a voice in the legislation to be enacted amending the act. But the board won't stand for it, and is going to smash the national organization, even if it is necessary to smash the local associations in doing so. ... There is no course left but to appeal to President Harding for a new board. Will he listen to the appeal?"

Fertilizer Statistics

Reports were received from 818 establishments reporting the manufacture of fertilizers, and their products for the year were valued at $303,233,000, according to a preliminary statement of the general results of the 1919 census of manufactures with reference to the fertilizer industry issued by the Bureau of Census, Department of Commerce. Of these 599 establishments were primarily engaged in the manufacture of fertilizers, with products valued at $278,610,000. At the census of 1914 there were 1,238 establishments in the aggregate, with products valued at $169,017,000, the same being inclusive of subsidiary fertilizers products to the value of $15,821,000 by 454 establishments. The fertilizers produced by all establishments in 1919 aggregated 8,290,700 tons, valued at $280,288,000, as compared with 8,432,000 tons, valued at $153,260,000, in 1914. (Jour. of Commerce, May 25.)

Filled Milk Competition

"A group of farmers at Watertown, Wis., have just received a convincing lesson of the meaning of the competition filled milk offers the dairy farmer, how it makes a market for the cocoanut cow and destroys a market for butterfat ... These farmers desired to get together to market their milk as cream in place of selling to a local condensery. A committee was sent to Milwaukee to interview ice cream manufacturers, expecting to find a real sale. What they found put these men solidly in support of legislation forbidding the manufacture and sale of filled milk. They found the ice cream manufacturers were getting their supply of fresh cream from a condensery that was skimming the whole milk, selling the cream, and adding cocoanut oil to the skimmilk to make filled milk. These Watertown farmers could not market their cream in the manner they tried because the cocoanut cow had got ahead of them."
(Hoard's Dairman, May 27.)

Foreign Trade Financing

1. Eugene Meyer, Jr., Managing Director, War Finance Corporation, said in address before the Pa. Bankers Association: "If we were to look back 25 years ago and examine the conditions of international finance at that time, we would find that the foreign trade of the United States was financed almost exclusively by foreign capital. This capital was furnished by international banking houses or by agencies of foreign banking corporations. Since the termination of advances to foreign governments from the United States Treasury, the burden of international trade has fallen upon private banking capital
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Foreign Trade Financing (Cont'd)

1. and upon the American discount and investment market, assisted, to a moderate extent, by credits from commercial and industrial corporations. If the financiers of Europe, in cooperation with those of America, would undertake to create in our financial centers a properly safeguarded public market to sound internal securities of the European countries, I believe that it would be an important factor in the effective readjustment of international economic relations." (Wall St. Jour., May 27.)

2. The Ter Meulen Credits Scheme, which was unanimously recommended by the International Conference at Brussels in September, 1920, and which has since been carefully considered and elaborated by the Finance Committee of the League of Nations is now to be put in operation, according to Standard Daily News Service of May 27, which presents a special report of its organization and operation prepared by Col. George Schuster, who has been assisting in the organization work of the scheme. The report states that the Ter Meulen Scheme "does not pretend to be a panacea, but is just an attempt to assist traders in impoverished countries to import on credit such commodities as are required to reestablish their productive industry and revive their trade."

Grain Trading

1. "The Lantz bills do not represent the sentiment of the people of Illinois; not even of the farmers of Illinois, but only those of the latter class who are in organizations controlled by farm leaders who have sought to unload on 'speculation' the disastrous results of their own foolish leadership. The tactics of personal intimidation used at Springfield to prevent legislators from voting their honest opinions in the matter, are a disgrace to the state and a lasting indictment of the Bolshevik tactics that see in the destruction of existing institutions the means of rising to power." (From editorial in The American Elevator and Grain Trade, May 15.)

2. "Apparently the Board of Trade hopes to keep the farmers running back and forth between Washington and Springfield until they are run completely out of gas. But they are up against organized farmers now, which is a new experience for them. The Illinois Agricultural Association has outgeneraled the Board of Trade at every turn. It has presented facts and arguments that the Board of Trade cannot answer. Most of the arguments of the Board of Trade and of its representatives on the floor of the Illinois senate have not been arguments at all, but bitter personal attacks. ... Slinging mud and making faces will get them nowhere. The truth is they have been beaten at every turn in the discussion of the merits of the bills. They have no adequate answer to the charge that markets are manipulated and that a large part of the future transactions at Chicago are nothing more nor less than bets on the market." (Prairie Farmer, May 21.)

Japanese Tariff

A revised custom tariff law and a new revised import tariff schedule will be put into effect June 1 by the Japanest government, according to an Associated Press report in press of today.

Oleomargarine

1. "Professor of Oleomargarine and Filled Milk is the title we may expect to see added to the faculties of our agricultural colleges and experiment stations if a bill now before Congress becomes a law. This (Cont'd on page 5.)

leomargarine (Cont'd)

1. measure provides for the teaching in our colleges, how to make oleo and how to market it. Think of such a thing! A product that was established in the trade on selling for something it was designed to imitate - a product established on fraud, and which reduced the farmer's market for his dairy product being legalized in that sort of way! ... Filled milk is in the same class as oleo, and if the latter should gain a college standing the schools would seen be teaching how to make the valuable butterfat from milk and substitute the cheaper vegetable oil. This filled milk is as great a fraud on the consumer as oleomargarine is." (From editorial in Chicago Dairy Produce, May 24.)

2. In an article on the food value of margarin, in The Butcher's Advocate for May 25, J.S. Abbott, secretary of Institute of Independent Margarin Manufacturers, says: "The writer has frequently pointed out that the composition, digestibility and food value of margarin are practically the same as butter. Butter, of course contains milk, and the margarins animal or vegetable fats, or both. ... Margarin would look like butter if class legislation had not prohibited the coloring of margarin and permitted the coloring of butter. ... The United States Department of Agriculture recently published a statement that 'fat soluble vitamines (A) are found in butter, eggs, milk and certain animal organs such as the hearts, kidneys and liver, and to some extent in other fats. ... The fact is, the Department of Agriculture has never tried to find out by researches of its own whether our margarins are efficient or not efficient in the fat soluble vitamines. Neither have the departments of agriculture of the several states done so. Even the nutrition experts of the United States, with one or two exceptions, have not investigated margarins with reference to vitamines."

Wheat Restrictions Suspended by France

The French cabinet yesterday authorized the suspension of the restrictions on the importation of wheat, beginning August 1, according to today's press.

Department of Agriculture

"The Grain Dealers' National Association has come to the conclusion that the Bureau of Markets should be abolished because this department of Government, they hold, has become an enemy of the independent grain dealer. They claim it is counselling the county agents in the various states to function as distributing agents... In fact, they claim it is socialism.

"The Grain Dealers' National Association is confused in its reasoning. The county agent has nothing to do with the Bureau of Markets, and the Bureau of Markets has no jurisdiction over the county agent. ... He is an agent of the farmers and assists in doing the work the farmers desire to have done. It is reasoned that if he serves the farmers well he will be able not only to increase production but also facilitate the marketing of farm products. ... The Bureau of Markets is performing a useful function in giving information concerning marketing conditions in the various trading centers of the United States. This service is extended to all, even the grain dealers. The county agent is extending a useful service to the farmers in assisting them to organize cooperative manufacturing and marketing associations. As long as these two agencies are serving their constituencies well, they are bound to continue in service." (Hoard's Dairyman, May 27.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 57 May 31, 1921.

The farmers of the country have undertaken to create a great financial institution undertheir control and ownership. The plans were announced in New York, May 28 by the executive committee of the United States Grain Growers, Inc., who went to that city to arrange for chartering the Farmers' Finance Corporation. The capital stockwill be $100,000,000 of preferred, dividend-paying, but non-voting stock,and 21 shares of non-dividend-paying common stock, in which the voting powers of the organization will be vested. Title to net profits will be entirely with the holders of the preferred stock, but the common stock may be held only by the directors of the United States Grain Growers Association, whose directors are elected by the various farm organizations throughout the country. (N. Y. Times, May 29.)

A warning that the farmers of the Middle West were restive and that conditions were ripe for a wave of Populism, such as was experienced in the seventies, unless a sound currency movement was started, was given May 28 by Henry A. Wallace, Jr., editor of Wallace's Farmer, and son of the Secretary of Agriculture. The occasion was a meeting in Washington at which bankers and ecnomists completed the organization of the Stable Money League formed to establish a "stable currency, with exchange value and purchasing power not subject to violent fluctuations which disrupt the whole order of business and industry and remove the strongest incentive to human labor,thrift and efficiency." (N. Y. Times, May 29.)

Ways and means of rehabilitating the cotton industry and putting it on a prewar basis were discussed at the opening of a national consultation of American cotton growers, manufacturers and affiliated interests in New York yesterday. Leading cotton growers and government officials warned that the country faced the shortest cotton crop in the last 25 years, and that unless immediate steps were taken to create a market and restore the staple to a profitable price a greater shortage would result in the next few years. Figures presented showed the reduction in cotton acreage this year from 30 to 35 per cent, due to the reduction campaign, the ravages of the boll weevil and unfavorable weather conditions. (Assoc. Press, May 31.)

Agricultural Legislation.

Referring to the agricultural "bloc" of 22 senators from the South and West, the Journal of Commerce says in an editorial May 28: "The whole program - or certainly the major portion of it - is based upon false premises. The Congressional theory seems to be that farmers are being 'exploited' by other interests, no inconsiderable part of which live as parasites upon the agricultural communities. The logical procedure is therefore (they reason) to enact legislation which will free the farmers from this burden... It should be needless to point out the unsoundness of such an attitude or to show the impossibility of developing a diversified and prosperous economy on the basis of any such program..."

Agriculture and Liberal Arts.

"What is the one great thing that prevents the farmers of the country from taking their proper part in the social and political activities of the United States, It is an acknowledged fact that they make up the most important single group in the whole economic scheme of things, yet they do not have a proportionate influence in the government of the country... Dr. J. M. Thomas, President of the Pennsylvania State College, speaking before the recent Spring meeting of the state, expressed the belief that the farmer's great need is a liberal education. It is important for the food producer to be familiar with all the up-to-date methods of production, but it is also important that he be familiar with other things beside mere farm efficiency... He must study history to know how other men have lived and be able to profit by their mistakes. He must be familiar with the great principles of economics so as to understand the problems of marketing and distribution and be able to combat the fallacious arguments of those who would keep control of agricultural products ... He must know political science that he may be prepared to take part in the making of laws governing the industry of agriculture which not only provides the food for mankind but which also produces forty per cent of the raw materials used in the industries of the United States." (From editorial in Pennsylvania Farmer, May 28.)

Board of Trade Methods.

Under the title, "Board of Trade Buys Lobby," the Illinois Agricultural News Letter, No. 54, issues a statement, which says, in part: "Those who have felt the financial sting of the Board of Trade have found a new way to get some of their money back. In almost any Illinois town on May 23 there was a chance to get a free trip to Springfield if you would agree to sit in the House gallery at the Capitol and howl and hiss at the right time. But the wire house and bucket shop crowd was not as discreet as it might have been in offering the money. They happened to pick some farmers for their lobby and these men let the cat out of the bag... One of the farmers who took up the proposition told the story that the wire house in his town was offered $1,000 to get a delegation to Springfield... These are the kind of tactics that are being used to defeat the Lantz bills."

Civil Service Reclassification

Establishment of a new department of education and science is urged by those in closest touch with matters of education and is recommended to the joint congressional committee on reclassification by the Institute for Government Research. The latter recommends that, among other scientific services, the Weather Bureau be transferred to such new department. (Wash. Star, May 30.)

Cooperative Purchasing Agency for Illinois.

All of the Illinois farm organizations which were called together at Bloomington May 24 by the Illinois Agricultural Association to consider cooperative purchasing of farm supplies felt the need of and favored some means of supporting one purchasing agency that would serve all organizations. A committee of five, each man being selected by his organization, was appointed to make a study of the situation, outline a definite plan or choice of plans and report back to the conference. (Ills. Agric. Assoc. News Letter, No. 54.)

Cotton

1. Abolition of cotton exchanges if they can not be regulated adequately by law was advocated by Senator Heflin, of Ala., in an address yesterday before the national consultation of American cotton growers, manufacturers and affiliated interests. He expressed doubt as to the possibility of framing a measure that the exchanges could not find a way to evade. Senator Heflin favored amending the Federal Reserve law so that the board would be compelled to recognize staple cotton as a basis for credit. He urged that President Harding be petitioned to call upon that board to reduce the rediscount rate to 4 1/2 per cent. He also said he would prefer a law providing an agency to see that inferior grades of cotton were not sold as better grades. Millions of bales have been sold fictitiously, he declared, and the prices fixed by speculative exchanges to the injury of the grower. This law, he said, should limit the title on a bale of cotton to only one person at a time. (Assoc. Press, May 31.)

2. Means of developing the facilities of the Department of Commerce to provide the most efficient service to the cotton industry are to be discussed at a conference of cotton goods manufacturers called for today by Secretary Hoover. Plans are to be drawn, officials said last night, to enable the department with the cooperation of the industry, to publish more accurate and comprehensive statistics of the variations in conditions affecting cotton goods over this country. (Wash. Post, May 31.)

3. In an editorial entitled "Monday's Cotton Conference," New York Commercial for May 28 says: "To some northern minds the idea of advocating curtailment of production of any product is repugnant, on general principles. This, again, is because they do not understand... An effort has been made to let the farmers see that they should act precisely as the manufacturer does when he has more goods on hand than there is a demand for, that is, to close down his plant, wholly or in part... It was hoped that the acreage would be reduced 50 per cent, but the fact that it has reached 30 per cent is quite an accomplishment. That it has not amounted to more is due to the fact that the farmer has not been able to do as the manufacturer would do under like circumstances, that is, to sit back and rest. For the farmer to do that is to starve. Hence, he has had to go on planting in the hope that he would at least be able to exist.*** The key to the whole problem is in Europe and not here."

Farm Industry "Integration"

Under the title, "Integrating Farm Industry," an editorial in The New York Times this morning says, in part: "Interlocking corporations organized by farmers - and Mr. Baruch - have formed a curious combination. There is no doubt that it is a combination, but it does not yet appear that it is in restraint of trade. The curious thing about it is that the farmers have associated themselves with a graduate of Wall Street. Are the farmers to adopt the ways and wiles of the money power? Or is Wall Street to teach the prairies how to farm? So far as farmers' spokesmen are understood, the combination proposes to organize agriculture by adopting some of the methods successful in manufacture... The aim is to increase farmers' profits by diverting them from distributors to producers. There is nothing offensive to consumers in that. They believe that middlemen make distribution too expensive... Mr. Baruch's combination is not likely to press for the abolition of the produce exchanges. It will hardly promote Senator Capper's bill for the reorganization of the Federal Reserve in the farmers' interest. It is stated that within a year the $100,000,000 Farmers' Finance Corporation will have $2,000,000,000 working capital, all their own money. That ought to suffice to 'modernize the grain business'. That ought to relieve the farmers from the 'lack of credits at crucial moments.' ... There is no objection to a new departure in agriculture. In fact, many think that the farmers are as much behind the times as they think they are ahead of them."

Foreign Trade.

Exports to Europe and South America fell off sharply during April, while imports from South America were nearly $10,000,000 in excess of exports, according to foreign trade figures issued May 28 by the Department of Commerce. Exports to Europe totaled $174,645,581, compared with $364,094,160 in April last year, while imports aggregated $69,146,421, against $111,346,889. Exports to South America aggregated $20,717,814 last month against $47,026,874 a year ago, and imports $30,533,087, against $76,007,952. (Press of May 29.)

Foreign Trade Financing

"Financing American Foreign Trade; How the War Finance Corporation is Aiding," is the title given to the address of Angus W. McLean, Director, War Finance Corporation, at the silver jubilee convention of the American Cotton Manufacturers Association, published in New York Commercial for May 28. He states that while the Government corporation is giving a full measure of aid the permanent machinery rests on the education of the public in investing surplus funds in foreign securities.

Grain Trading

Speculative operations of a restricted number of traders in large quantities on the grain exchanges of the country are the chief cause of excessive price fluctuations, R. E. Smith, grain supervisor for the United States Bureau of Markets, testified May 28 before the Senate Agriculture committee, now considering a bill to regulate exchanges. (Press of May 29.)

Livestock Marketing.

The farmers' livestock marketing Committee of Fifteen, in Chicago May 26 adopted the report of the subcommittee on cooperative marketing. It incorporated in the plan which will be submitted to the livestock producers of the country the recommendation that former owned and controlled cooperative livestock commission companies be established at the livestock markets. (Chic. Jour. of Commerce, May 27.)

Fruit Growers of Illinois Organize

Fruit and vegetable growers from all over Illinois will meet at Centralia on June 1, at the call of the Fruit and Vegetable Marketing Department of the Illinois Agricultural Association, to form a sales organization or exchange. This exchange will act as a central selling agency for the local marketing branches. The exchange will be supported by assessments on the products handled. The local branches will standardize the grades and packs and have an inspector and manager to ship cooperatively. Some of them are planning community packing houses where the products will be graded and packed. (Ills. Agric. Assoc. News Letter, No. 54.)

Ohio 100 % Farm Bureau

Every one of the 88 counties in Ohio has voted affiliation with the Ohio Farm Bureau Federation. The other 100 per cent Farm Bureau states are Iowa, Indiana, New Hampshire and Delaware. (Am. Farm Bureau Fed. News Letter, No. 21.)

Rural Development

"We are fortunate in possessing a marvelously useful and intelligent agricultural press, whose editors are working with the Farm Bureau Movement, the county agents, the State Agricultural Colleges, and the National Department of Agriculture to promote better farming. All this makes for good, and is a vital part of the larger policy which we are advocating. This gospel of scientific agriculture has saved us, during a period of tremendous city growth, from what would have been otherwise a still greater stagnation of rural life. But with all the prosperity that the farmer gains from his intelligent efforts to improve his methods, he cannot possibly make money enough to support, unaided, the necessary institutions of community life which it is requisite to establish and develop, if we are to make the future of America what it ought to be in view of its past." (From an editorial on "The New 'Country Life' Movement" in The American Review of Reviews for June.)

Tariff Effect in Alberta

Alberta agriculturists are planning to divert their products to England as a result of the Fordney tariff till in the United States, according to Premier Stewart of that province. Ranchers, he said, had already sent 1,000 head of cattle overseas and other stock and farm products would follow soon. (Press of May 28.)

Wheat Marketing

"Growers Must Have a Compulsory Pool in Selling Wheat," is the title of an article by Ray Yarnell, based upon an interview with W. H. McGreevy, Secretary-Treasurer, National Wheat Growers' Association, in Capper's Farmer for June, which tells why the National Wheat Growers' Association adheres to the compulsory pool idea. The article says, in part: "Only through a compulsory pool which eventually will become a monopoly of all the wheat produced in the United States, can the American farmer market his wheat to best advantage. This pool must be handled by an expert sales agency with absolute power to sell the grain at the best price obtainable or at a price previously determined to be fair and profitable."

Department of Agriculture

1. Referring to the efforts of the Washington journal, Industry, to discredit the American Farm Bureau Federation, an editorial in The Southwest Plainsman for May 21 says: "It seems that the campaign against the farmers is to be a continuing one and that Congress has been chosen as the principal medium through which it will be sought to wreck the organization and cripple agricultural extension work carried on through county agents. Those behind this campaign figure that if they are successful in curtailing agricultural appropriations the farmers will not be able to avail themselves of the scientific assistance given them by the Department of Agriculture in working out their marketing problems. There was no complaint so long as the Department confined its efforts to increasing production, but the moment it began to touch the vital point of marketing all the interests that have been drawing their sustenance from the juggling of products on the way from producer to consumer, became aroused to the necessity for protecting their business. They see but one way to do this - to break up the first big organization that has had the courage to tackle these problems in a nation-wide way."

2. "Some of the specific problems for which a solution is demanded by our farmers at the hands of the Division of Animal Industry may be found in the increasing use of butter substitutes which have increased in California 50 per cent in the one year just closed. These butter substitutes are made largely of vegetable oils and can be produced for about one-tenth of the cost of producing butterfat, therefore, butter cannot compete with them on a basis of price and must compete on the basis of quality, It thus becomes the duty of our field men to show dairymen how to produce a better product in order that the dairy industry may continue ... Again, the cheese industry of California should be encouraged and built up." (From extracts from a bulletin issued by Calif. State Department of Agriculture, republished in Butter, Cheese and Egg Journal, May 25.)

3. In an article entitled "Leon M. Estabrook," The National Stockman and Farmer for May 28 says: "Under his leadership the Bureau of Crop Estimate won an international reputation, and how well he has served American agriculture through the crop reportingsservice is too well known to need comment. Statistics are dry but Mr. Estabrook realized their value and presented them in a way which could most effectively help farmers."

4. In an article under the title, "Business on Farms Government Goal," by Ralph Burton, The Washington Post May 29, says, in part: "Making farming pay is one of the biggest jobs ahead of the national administration just now. The help of the Federal Government is likely to be necessary in a great many ways - in improving highways and other facilities for reaching markets, in helping farmers through the methods so long a feature of the work of the Department of Agriculture.. A new line of Government assistance, however, has developed in scientific studies of efficient farm management, which are being made available to practical farmers with the idea that they may be helped in solving their own problems..."

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. 1, no. 58 June 1, 1921.

American cotton growers, manufacturers and affiliated interests at their annual conference in New York May 31 called upon the Federal Government to aid in the rehabilitation of the cotton industry. The Government was urged in resolutions: To authorize and grant a more liberal expansion of credits on farm loans; to lower the Federal Reserve bank rediscount rate without delay to a figure not in excess of 5 per cent on the rediscounts of farm products and all commercial paper; to instruct the War Finance Corporation and Department of Commerce to render all possible aid in opening up exports for cotton and other American raw products, so as to stimulate movement and consumption.

The American delegates to the world cotton conference in Liverpool and Manchester June 12 to 23 were instructed to urge adoption of the United States standard of cotton grades in the international marketing of American cotton between American exporters and foreign purchasers. (Associated Press, June 1.)

Creation of a $100,000,000 Federal Farmers' Export Financing Corporation to buy farm products in the United States and sell them abroad is proposed in a bill introduced yesterday by Senator Norris of Nebraska, chairman of the Agricultural committee. The corporation would be composed of the Secretary of Agriculture and four other directors to be appointed by the President with the consent of the Senate and be authorized to issue bonds up to ten times its paid-in-capital. The proposed new Government agency would sell American farm products abroad to nations or individuals, act as agent for any producer or dealer in farm products, and also make advances to assist agricultural exports. (Press of June 1.)

The constitutionality of the Longworth resolution which would make effective all rates in the general tariff bill immediately upon introduction of the measure in the House, was challenged last night in a statement by Representative Young, of North Dakota, the only Republican member of the House Ways and Means committee to oppose the plan. (Press of June 1.)

Agricultural Legislation

1. Senator Lennroot's resolution authorizing a general survey of agricultural conditions bya joint congressional committee was adopted in the Senate May 31 and now goes to the House. (Press of June 1.)

2. "The farmers propose to take charge of the Senate as they allege that once the trusts did. Senator Kenyon announces the formation of a Senatorial agrarian 'bloc'. On Thursday it is to resume conferences regarding a list of agrarian bills. Already farmers claim, with the trades, to be exempt from the anti-trust laws. Both of them are seeking further privileges. The farmers also want to shut up produce exchanges. They also demand more liberal loans than the banks allow. This is an incomplete list of Senator Kenyon's proposals in the name of the 22 senators sworn to live and die for agriculture. The farmers seem now under the delusion that production of food is in some way more meritorious than the manufacture of goods in industry generally. Farmers want to be subsidized or given special privileges. But there is no hostility to farmers in saying plainly to them that their proposals must be considered from the viewpoint of general interest, and should stand or fall by that test." (Editorial in N.Y. Times, June 1.)

Agricultural Limits of Population

"The Agricultural Limits of our Population," is the title of an article by Prof. E. M. East of Harvard University, in The Scientific Monthly for June. The author calls attention to the fact that since his article was written a detailed study of the "Arable Land in the United States" has appeared under the authorship of O. E. Baker and H. M. Strong, of the Department of Agriculture. He states that these authors have made an extremely valuable investigation of the agricultural lands of the United States, and support their conclusions with adequate data, and says: "We wish to point out some conclusions as to the possible ultimate population of the country with their figures as a basis... "

Cheese Marketing

"The Plan We Worked out that Got us More Money for Our Cheese,"is the title of an article by Henry Krumrey, president and general manager of the Wisconsin Cheese Producers' Federation, in Farm and Fireside for June. The author tells what problems the farmers of Sheboygan County faced before they were driven to work cooperatively, and what they have done since to build up the resulting organization until their annual turnover is now more than 14,000,000 pounds of cheese - sold direct to the large commission houses and grocers.

Cotton

The first bale of 1921 Texas cotton crop brought $1,300 at auction on the floor of the Houston Cotton Exchange. It was raised by E. Matz, Rio Grande Valley farmer. (Phila. Ledger, June 1.)

Dairy Marketing

"It's Time to Get into Action,"is the title of an article by Hugh J. Hughes, in Successful Farming for June, in which the author presents a plan to cut dairy marketing losses. He says, in part: "If developments in other lines of business count for anything, the business of dairying is about due for

(Cont'd on page 3.)

Dairy Marketing

(Cont'd.)
an overhauling, in order to bring it into step with progress in other fields of farm production and distribution. There is a recoverable loss to the dairy farmer that will average, for western conditions generally, something like 5 cents per pound of butter marketed... The butter market, as shown by the returns to the local cooperative creameries, has a normal spread of between 8 to 12 cents between the best and the poorest cooperative creamery sales." Setting forth what he believes to be some of the deficiencies in American systems, the author points out the merits of various foreign methods. He states that there is a demand for all the really good, high class butter that can be produced, and that that market is largely in the hands of others than ourselves. He says: "So far we have been trying to improve dairying conditions from the producing end. Suppose we consider the marketing end for a while. Suppose we try to provide for uniform quality. Then when the consumer in New York or Boston or Richmond gets standard or premium American butter he will know what he is getting, and a market for that commodity will be established..."

Grain Marketing

"The first appearance of the page advertisement of the U. S. Grain Growers' Inc., a non-stock and non-profit corporation - chartered in the state of Delaware, whose reputation as a corporation mill is that of 'easy virtue' - was in Wallace's Farmer. The corporation is asking for money. Now Wallace's Farmer was never guilty of advertising 'blue sky' in the shape of stocks of dubious oil or phoney packing companies. Yet it does not hesitate to O.K. the money-making propositions of the U. S. G. G., Inc., which is in terms identical with that of the fake oil and cooperative packing company advertisements. Is it not going pretty far to say that, 'This plan is bound to materially increase the net returns to the grain grower without increasing the price to the consumer'? That is mere statement, quite as uncertain and misleading as any positive statement as to the certain output of an oil well yet to be run into the bowels of the earth... " (From editorial in The Price Current-Grain Reporter, May 25.)

Grain Trading

1. Julius H. Barnes, war-time head of the Grain Corporation, told the Senate Agriculture committee yesterday that enactment of the Tincher grain futures trading bill would act as a deterrent to the annual absorption of the country's grain production and would force a sluggish and low market at harvest time. (Press of June 1.)

2. California grain growers and operators have decided to form a grain exchange in Oakland, similar to that in Chicago and other grain centers. They are backed by the California Farm Bureau Federation, the California Farm Bureau Exchange and the California Farm Bureau Elevator Corporation. (Phila. Ledger, June 1.)

Labor

An estimated $400,000,000 will be slashed from the nation's railway wage bill when an order cutting wages an average of 12 per cent to be handed down today by the United States Railroad Labor Board becomes effective July 1. (Assoc. Press, June 1.)

Live Stock

The biggest fat cattle show east of Chicago this season will be that to be held at the union stock yards at Lancaster, Pa., today and tomorrow, about 1,300 head being exhibited, according to the Philadelphia Ledger of June 1.

Livestock Marketing

"What our Livestock Associations do for us in Illinois," is the title of an article by W. H. Smith, assistant professor of animal husbandry, University of Illinois, in Farm and Fireside for June. In this article the author reviews the work of the 150 Illinois livestock associations as a guide for those contemplating the formation of new associations, and as a help for those organizations that are not accomplishing their purpose. The article states that unless the breeders unite their efforts, and support the various cooperative enterprises sponsored by the association, the organization is doomed to fail. The general attitude of the members and their willingness to support the work is far more important than the particular kind of an association they represent.

New Zealand Meat

The acting premier of New Zealand has declared in a message to the American consul at Wellington, N. Z., that no difficulties will be placed in the way of Armour & Co. exporting to America, for American use, meat now in freezing there. The New Zealand government, however, will require substantial guarantees against the reshipment of such meat from America to London. (Phila. Ledger, June 1.)

Reorganization of Government Departments

Creation of a separate department of public health is one of the major proposals of the Institute for Government Research in its plan for reorganization of the administrative branch of the Government. The Institute recommends that enforcement of pure food and drug laws, Bureau of Chemistry, and inspection of meat service, Bureau of Animal Industry, be transferred to such new department. (Wash. Star, May 31.)

Rural Development

"Land speculation should be discouraged and broken up by better devised methods of taxation. The small farmer should be enabled to own his land, and have a comfortable home, through a system under which capital will be advanced, to be reimbursed by payments over a long period. Good roads should be provided and maintained on a scientific plan." (From editorial on "Some Reforms Needed" in The American Review of Reviews for June.)

Tuberculosis Eradication

In an editorial on "Eradication of Tuberculosis," Successful Farming for June says: "It seems to us that the scheme of Dr. Burton R. Rogers of Chicago, to tag at least one hog from each bunch sent to market, so that the origin of tuberculosis may be discovered, would save a vast sum and useless work of testing tubercular-free herds... If the hog is diseased we may know the cow or steer has tuberculosis in a transmissible stage and should be slaughtered."

Wheat Marketing

"We Dont Want Compulsory Pooling in Cooperative Marketing," is the title of an article by Theo. D. Hammatt, in Capper's Farmer for June, which says: "For the United States Grain Growers, Incorporated, to have insisted that wheat or any other grain should be sold only through a compulsory, (Cont'd on p. 5)

Wheat Marketing (Cont'd)

nation-wide pool would have been an unwarranted and ridiculous assumption of authority, laughed out of court by a great majority of farmers and, in all probability, thrown out of court by our judges."

Department of Agriculture

1. An editorial on "Federal Wheat Grades Stand" in the St. Paul Farmer for May 21 says, in part: "The action of Mr. Wallace in sustaining the Federal grades is in line with similar action taken by former Secretary Meredith a year ago. Mr. Meredith sustained the grades because in his opinion the evidence did not show the producers would be benefited by the proposed changes and because protests against the grades came mainly from those professionally interested rather than from actual farmers. Mr. Wallace in his statement has sustained at least the first contention of Mr. Meredith. It is rather significant that two successive Secretaries of Agriculture under different political administrations, who are known as men of absolute integrity and as steadfast friends of agriculture, should have arrived at the same conclusion. These facts should be taken into consideration in judging criticism which may be directed against this decision."

2. "The Tincher bill was remade in part in public by the Secretary of Agriculture after the grain trade's representatives had been dismissed from Washington and could not check up his changes. It no doubt meets his ideas as to proper control of the grain trade. But the bill itself does not contain all his practical ideas. These he will put into the act in private with the aid of his official law clerks after the law is made, if made; and no one can know what his real purposes are until he shall have published his 'rules and regulations' for the enforcement of the act, which the bill gives him power to make. What the Tincher bill now is, therefore, and what the Tincher act with the Secretary's self-made rules attached to it shall be, are two entirely different matters, and there is but the baldest indication in the bill itself of what the real act may be when put into operation. No self-respecting Congress would delegate such power to a Cabinet officer... We do not question Mr. Wallace's sincerity or his honesty; but in his present state of mind, and in view of the militant, discontented farmers... who, as he knows look to him to carry out their wishes, right or wrong, in regard to the grain trade and the grain-consuming public, we have the right to be suspicious of his judgment; and especially do we question the propriety of Congress permitting him (or anyone) to make a law which the Congress itself seems either too lazy or too incompetent itself to make and thus protect the public on doing so." (From editorial in Price Current-Grain Reporter, May 25.)

UNITED STATES DEPARTMENT OF AGRICULTURE

DAILY DIGEST

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Vol. 1, no. 59. June 2, 1921.

Downward revision of railroad rates, particularly on those of necessities, was discussed by President Harding yesterday with members of the Interstate Commerce Commission, at an informal conference at the Commission's headquarters. The President was understood to have been assured that the whole subject now was under review by the Commission. Mr. Harding inquired particularly about the prospect for modification of rates on fruits. He was told by Chairman Clark that a modification of that rate was informally under consideration. (Press of today.)

"A new blow at the grain pit of the Board of Trade was struck by farmers yesterday when the United States Grain Growers, Inc., organized by representatives of farmers' associations throughout the country for the purpose of marketing grain under a plan of their own, opened offices at Chicago and announced that it was ready for business. Board of Trade brokers have already opened fire on the new marketing system." (Chicago dispatch to N. Y. Times of today.)

That Bernard M. Baruch will not head the $100,000,000 Farmers' Finance Corporation, now being formed to facilitate the direct handling of crops, is announced in today's New York Times. In announcing his decision yesterday, Mr. Baruch expressed approval of the project, saying, in part: "I am a sincere believer in the rightfulness of the plan. The organization, as I understand it, will not attempt to destroy the present methods of marketing the crop but will endeavor to move it in a more orderly manner; nor does it attempt the impossible. Their cooperative selling agency is to be handled by specialized talent. The $100,000,000 finance corporation will be formed for the purpose of bringing into the marketing of the crops the money of the individual investor who has heretofore not been brought into this movement. The result will be a widening of credit facilities which will be supplementary to, but will not replace present financing methods. It is but adapting the short-time obligation to agriculture."

Opposing the Capper-Tincher grain futures trading bill, I. C. Murray, of Cedar Rapids, Iowa, told the Senate Agriculture Committee yesterday that unlimited damage could be done to the whole grain trade by the taking away of a given market through suspension of an exchange as permitted in the bill. He explained that millers often found it necessary to anticipate their future needs and buy on contract for several months ahead. Chairman Norris said he thought the court would enforce the contracts. (Press of June 2.)

Cheese Grading

"It looks now as if we will have to wait for another generation of cheese merchants before New York City wakes up to the advisability and feasibility of the preparation and commercial application of a set of cheese grades seeking to define the different qualities and, more important still, seeking to separate and appropriately name all the more important types of American Cheddar cheese for which there is already a recognized demand." (N. Y. Produce Review and American Creamery, May 25.)

Cooperative Bean Marketing

"New Bean Growers' Contract is Very Favorable," is the title of an article in Pacific Rural Press for May 21, which says in part: "In the new California Bean Growers' Association contracts now being offered to growers on expiration of the old contracts... we believe in pooling the crop and selling it throughout the twelve consuming months of the year to eliminate speculation; and under plan of the contract a member may elect to sell his beans in a season's pool. If he does not wish to do this, however, he may elect under plan 2 to have all or part of his crop sold at a certain date or whenever the price reaches a certain point or whenever an outsider buyer offers more than the market price."

Cotton Manufacturing in China

Referring to the heavy shipments of cotton machinery from England to the Orient, and more recent shipments from New England to China, the Manufacturers Record for May 26 says: "The development of the cotton growing and cotton manufacturing industry in the Orient, now proceeding on a large scale, should be welcomed by all lovers of humanity and civilization."

Cotton for Germany

"Germany's substitutes are coming to an end and mills which since the war have utilized paper yarns are again working on American cotton. The paper yarn trade is still exporting to some extent, but various associations which were formed during the war to exploit substitutes for cotton have been dissolved." (N. Y. Daily News Record, June 1.)

Cream Grading

"Last year many of our gathered cream creameries appeared to believe that practically all cream, no matter how old and no matter how bad flavored, could be accepted at current market prices, could be put through some magic process involving a dash of lime water and a trip through a pasteurizer and would yield butter of a quality that would make money for the manufacturer. How erroneous this belief proved to be is written in the record of the butter market and in the record of financial disaster that overtook a considerable number of creameries... Forthose that survive, the experience has taught an expensive lesson and the past few months we have heard more constructive talk and agitation for cream grading and quality payment among butter manufacturers themselves than for several years past. There is a wider realization that when butter must be sold on a quality basis and when the price differences between fancy butter and low grades stretch out to ten cents or more it is suicidal to pay for butterfat on or near a parity with fancy butter prices and sell at the price of poor stock." (From editorial in N. Y. Produce Review and American Creamery, May 25.)

Foreign Trade Finance

A canvass of important financial centers by the New York Herald, quoted in Wall St. Journal, June 1, discloses the fact that the nation's bankers back President Harding's plan for existing facilities for financing the country's exports on a credit basis. St. Paul bankers state that this plan will help wool growers, and that arrangements have just been completed whereby $1,000,000 has been advanced to enable them to hold up the wool clip until the price has become more stabilized. Kentucky bankers believe that the plan will relieve farmers and help stabilize prices of agricultural products. Middle West bankers and merchants declare the plan will relieve stagnation in the wheat and flour industry. Southern and southwestern bankers, generally, manifest similar sentiments, stating that such a plan will undoubtedly bring much needed relief to cotton growers, and in enabling them to export their products, will go a long way toward helping the cotton market out of its present demoralized condition.

Marketing by Wireless

An editorial entitled "Marketing by Wireless" in the Nebraska Farmer for May 28 says, in part: "The plan has great possibilities for county farm bureaus. Why not have one of the receiving instruments in every farm bureau office and have the county agent and his clerk learn how to take the messages? Then interested farmers can get up-to-the-minute reports by telephoning to the county agent's office... This would be a piece of real worth-while work for county farm bureaus."

Netherlands Nursery Stock Trade

The nursery and plant trade in the Netherlands shows some of the depression to be noted in other lines, but on the whole the condition is considered satisfactory. Shipments to various countries so far this season have been lighter than usual, but trade prospects for the coming season are more promising. Exports to the United States have been small compared with last year, although in value the trade in 1920 was not up to the standard of the year before. (Commerce Reports, May 28.)

Prices

In a review of the trade situation, the Standard Daily Trade Service for June 1 states that the outlook in agricultural districts is poor. It says: "We do, however, look for a recovery in the prices of most or all of these products, as part of the probable general movement upward in prices... In some degree, our manufacturing industries will revive at the expense of our food and raw material industries. Better times are in earlier prospect for the population centers, a longer enduring depression for the agricultural districts. The pivotal fact for general recovery is the industrial reorganization of Europe."

Radicalism in Agriculture

"Who's a Radical?" is the title of an editorial in the Agricultural Review for May, which, quoting attacks of the Price Current-Grain Reporter on farm organizations, and the criticisms of certain farm organizations of practices of other farm organizations, says in part: "Maybe the reason the farmer is not helped more is because his helpers cannot agree. Why not get together? There is good in nearly everybody and everything... Even the Boards of Trade, after they have been properly pruned, may still serve a useful purpose. Outside of purely speculative circles, no interest can profit from the misfortunes of the farmer."

Rice Marketing

"The Rice Growers' High Dive," is the title of an editorial in the Agricultural Review for May, which says, in part; "Assuming that no legal obstacles will develop to interfere with the plans of the various commodity organizations to form air-tight pools, it would seem but the part of common business judgment to look around and see if there are any pointers to be picked up from the experience of others... Consider the present situation of the rice growers of the United States. They have for ten years had one of the best cooperative organizations ever formed anywhere... It has developed the pooling idea to a high degree of efficiency... The 1919 crop of over 40,000,000 bushels deluged the owners with wealth. The 1920 crop was well above 50,000,000 bushels, but at market time the foreign demand had subsided, and large quantities were being imported, selling at less than one-third that of the 1919 crop. Consumption in the United States had fallen 50 per cent. The association had made no attempt to stimulate it, but sat back and raked off the cream. The rice growers had the organization, they had the pool, and they had the rice - but they had no market, and have none to speak of today... The object is to call attention to fundamental economic forces that work inexorably, and that are beyond the power of any organization, or of any Government, to control... They should by all means be considered."

Tariff

1. In an editorial entitled "Troubles of the Tariff Makers," the New York Times today says, in part: "The mind reverts to the saying of President Cleveland in his famous tariff message: 'It is a condition, not a theory, that confronts us.' These words were laughed at consumedly by protectionists, but now they know how it is themselves. They discover that they have been projected in spite of themselves into a new world of trade and international commerce. If they had any doubts on this subject they would be removed if they were to read a remarkable article on the situation which appeared yesterday in the New York Herald. It stated hard facts in a blunt way."

2. The article in the New York Herald of yesterday referred to above says, in part: "The American tariff system is solidly imbedded in the very foundations of this nation. It is a sounder, a more workable and a more permanent policy for the United States than for any other country perhaps, because it operates here within the common national boundary and under the single flag of what are in effect nearly half a hundred countries, the States, joined in an inseparable whole... Nevertheless, these facts loom big today for our national consideration: We have expanded our economic equipment so far beyond our own needs, we have speeded up our productive energies to so swift a pace, we have builded our surplus creating engine to so high a power that we must sell of our excess crops and goods abroad in a tonnage expressed in fleets of ships and in value counted in billions of dollars, or in large part both our merchant ships must rot, our labor be jobless and the very yield of our fruitful soil be left to wither in the fields. In front of a prohibitive tariff wall the foreigner that cannot sell to us cannot buy from us... Behind a prohibitive tariff wall... even the American farmer cannot do business with our own industries and wage earners that may be flat on their backs because they have lost the foreign markets where they formerly sold what they produced..."

Department of Agriculture

1. Changes recommended by the Institute for Government Research in respect to the Department of Agriculture, according to the Washington Star of June 1, consist in the transfer of certain of its present services and duties to other departments, as follows: The transfer of the Bureau of Public Roads to the proposed Department of Public Works; (2) transfer of the enforcement of the pure food law service from the Bureau of Chemistry to the proposed Department of Public Health; (3) transfer of the inspection of meat service from the Bureau of Animal Industry to the proposed Department of Public Health; (4) transfer of the Forest Service to the proposed Department of Public Domain; (5) transfer of the Weather Bureau to the proposed Department of Education and Science.

The article says, further: "The Department of Agriculture has had a rapid development in recent years. Not only has the scope of the work of its old services undergone a steady expansion, but it has had thrown upon it a succession of entirely new responsibilities. Reference is especially made to the duty that has been given it of enforcing such laws as the grain standards act, the warehouse act and the virus-serum-toxin act, to the greater attention given to the marketing of farm products and to the economics of agriculture generally. The organization of the department has thus become exceedingly complex and there is every reason to believe that this tendency toward expansion will continue in the future. In view of this the argument in favor of relieving it of services and duties not directly connected with its primary function gains additional force."

2. "President Clement of the Grain Dealers' Nat'l Ass'n has started a campaign against the Bureau of Markets and the county agents. The Bureau of Markets is a tax-eater - a full feeder, too. It is one of the manifestations of Mr. Wilson's 'New Freedom' form of slavery. It is one of the pieces of Government machinery invented by Democratic tax-eaters, developed in the laboratory of official sociologists, and put into operation with a great splurge of promise as an undoubted means to correct all the abuses (never identified or located) existing in all the public food markets. The absolute failure of the Bureau to make good anywhere in anything is best evidenced by the fact that the complaints about those self same unidentified abuses grow louder from the farms and more acrimonious as years go by... But the Bureau has accumulated functions and entrenched itself. It bosses the supervision of inspection of grain... On July 1 it will absorb the Bureau of Crop Estimates, whose competents will give respectability to a horde of incompetents; and if the Tincher bill goes through Secretary Wallace will make more 'rules and regulations' to give this same Bureau power to enforce for him that act in ways which are probably not dreamed of now, either by Congress or the grain trade..." (Price Current-Grain Reporter, May 25.)

3. In an editorial entitled "Free seeds from Congress," Successful Farming for June, says: "Will this graft on the public treasury ever cease? *** The practice is continued in spite of the fact that every Secretary of Agriculture asks that it be stopped and the money used for some needed work that will benefit the nation."

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Vol. 1, no. 60. June 3, 1921.

Cooperation of the Government in solving the distribution and sale problems of farmers was promised yesterday by Secretary Wallace in an address to 5,000 farmers and investors at a farm bureau meeting at Martinsburg, West Virginia. The Secretary, at the same time, cautioned the farmers that nothing could come of this cooperation unless the farmers, collectively and individually, applied their own brains and hands to effecting organization, from lack of which, he said, farmers now suffer. (Press of June 3.)

Another farmers' relief measure, the bill of Senator Curtis of Kansas to loan up to $50,000,000 to Federal Farm Loan banks to distribute to farmers at not more than 5 1/2 per cent interest, was passed yesterday by the Senate with assurances of early House approval. (Press of June 3.)

The House yesterday passed and sent to the Senate the Haugen packer control bill placing packing houses and stock yards under the supervision of the Secretary of Agriculture. (Press of June 3.)

Chairman Little of the House committee on revision of the laws yesterday introduced a joint resolution designed to prevent wholesale importation of foreign goods preliminary to enactment of the permanent tariff law. (Press of June 3.)

Representative Longworth's resolution making tariff rates effective on the introduction in the House of any tariff bill should it carry an emergency clause to that effect, is dead because of its practical rejection by House Republican members at a conference last night. (N. Y. Times, June 3.)

Federal Reserve banks were blamed for the acuteness of the present economic depression by Senator Owen of Oklahoma, former chairman of the Senate Banking and Currency committee yesterday. He said: "They have done their worst by ruinously restricting credit. The Reserve Banks should have tempered the depression which was unavoidably consequent to the ending of the war. Instead they emphasized it and made it worse by adopting a broad policy of credit contraction." (N. Y. Times, June 3.)

Aid for Farmers

"Further evidence of the attitude at Washington toward agricultural interests is furnished by the measure recently introduced by the chairman of the Senate Agricultural Committee proposing the creation of a 'Federal Farmers' Export Financing Corporation.'... The listof proposals avowedly for the benefit of farmers now receiving the serious attention of Congress... is a long and growing one. It is as yet too early to say just what disposition will be made of many of the measures, but all too many of them seem likely to receive favorable action... Considered from the standpoint of the general public, these measures cannot be too strongly condemned; as means of 'aiding' the farmers their efficacy is more than doubtful and political advantage thus secured is likely to prove short-lived. (From editorial in Jour. of Commerce, June 2.)

Breeders' Clubs

Community Breeders' clubs are reviewed in Hoard's Dairyman for June 3, by W. A. Duffy, who states that the organization of breeders devoted to a particular breed of cattle into a county association has advanced the dairy interest of Wisconsin as has no other one factor. By this form of cooperation advertising is carried on, sales are held, and the knowledge of the business spread among the membership.

Canadian Conditions Changing

In its monthly commercial letter the Canadian Bank of Commerce says in its review of the general agricultural and business situation, issued at Toronto, June 1: "This autumn's crop should cost the farmer much less than that of 1920, for although the price level of general supplies has kept fairly high, the cost of feed has declined considerably and farm wages have fallen to half of what they were a year ago. There is, moreover, among western farmers a spirit of determination to extricate themselves by hard work from the position in which they are placed by the sudden fall in agricultural prices last year and to maintain the same acreage under crop with a minimum expenditure on the employment of labor." (Jour. of Commerce, June 3.)

Cooperative Creameries

"Cooperative Creameries - Their Organization and Financing" is the title of an article, by A. J. McGuire, in Hoard's Dairyman for June 3. The author states that there are 600 cooperative creameries in Minnesota most of which have been in operation for over 20 years. With but few exceptions they have been successful from the beginning, and they may be offered as proof that a cooperative creamery is a most paying investment for any farming community where dairying is conducted to a reasonable extent.

Cooperative Marketing

In a lengthy editorial on "Cooperative Marketing", The Journal of Commerce for June 2 says, in part: "Various schemes for the cooperative marketing of farm products are now announced as on the verge of consummation... The purposes in view are said to be those of reducing the farmer's marketing costs, enabling him to hold his crops and providing him with sufficient financial means... These are all beneficial ends, and if completely realized would be in the aggregate extremely helpful to the farmer. Indeed, any one of them, thoroughly attained, would do more than a little good... It is well to note, however, what are some of the chief limitations that are imposed upon the enterprise by its very nature.
(Cont'd on page 3.)

Cooperative Marketing (Cont'd)

These limitations are not imaginary, but have been proven by the experience of foreign countries where the same efforts have been made in years past. First of all, it is necessary to enlist the absolutely loyalty of the farmer in the undertaking... More important still, the farmer must never undertake to speculate in his own product, carrying the output of a given year (either individually or in conjunction with others) over into another year... The advantages of cooperative marketing may well be overestimated. If the profits of operators under the present plan were as great as they are popularly supposed to be competition would long ago have cut them down... Farmers or farm organizations working together cannot make something out of nothing. All they can do is to save unnecessary expense and to economize on wastes growing out of competition or careless distribution which today lessen the net amount available for the grower after the costs of distribution have been provided for... "

Cotton

1. The final step in perfecting an organization to handle the 400,000 bales of cotton signed up by the 34,000 members of the Oklahoma Cotton Growers' Association, has been taken with the installation of permanent directors. The responsibility of getting on its feet what is claimed to be the largest farmers' selling association in agricultural history, rests upon this board. (Okla. City dispatch to N. Y. Daily News Record, June 2.)

2. The campaign to sign up 400,000 bales of cotton to be sold through the South Carolina Growers' Corporative Association will be launched in Spartanburg and Marion counties, about June 10, according to R. C. Hamar, president of the S. C. division of the American Cotton Association and chairman of the campaign committee. (N. Y. Daily News Record, June 2.)

3. The cotton situation in Egypt is covered in a letter from Alexandria, Egypt, under date of April 27, to Frederick H. Andres, of Boston, published in Manufacturers Record, June 2, in which it is said: "There is very little to report about the market here. In spite of the coal strike in England and the comparatively small demand for cotton, prices remain very firm. The purchases in behalf of the Egyptian government are undoubtedly contributing in a large measure toward this firmness. It does not buy every day, but never fails to give its support, whenever there are signs of weakness abroad, a lack of demand or other causes. Its purchases, to date, amount to about 4,000 bales."

Farmers' Investments

"New Investments for Farmers" is the title of an editorial in The Country Gentlemen for June 4, which says, in part: "Much good is likely to result in unexpected directions from new forms of credit adapted to agricultural needs, such as the sale of Farm Loan bonds and debentures likely to be offered by the Foreign Trade Corporation, by grain-marketing associations and the like... The sweeping canvass for the sale of Liberty Bonds followed by these newer forms of investment, accompanied, as it ought to be, with closer relations between farmers and their local banks, should draw a goodly proportion of the loose money of the country into forms of investment that will be profitable to the farmer (Cont'd on page 4.)

Farmers' Investments (Cont'd)
and useful to society and will also check the boom in land prices, curtail speculation in this fundamental commodity and, hopefully, stop entirely that wastage of earnings and capital now going into promoters' pockets through blue-sky schemes."

Filled Milk

Referring to the misleading intent of the advertising of the Hebe Co., Hoard's Dairyman for June 3 says in an editorial under the title "Filled Milk for Cooking,": "Why this deception when the manufacturers know that filled milk is designed to take the place of milk and cream? Some of it is labeled a compound of condensed skimmilk and cocoanut oil, but in 35 stores which handled filled milk and where purchases were made only one merchant declared it to be a compound. Herein lies the fraud of this so-called milk substitute. The consumer is not advised that it is a compound and not milk."

Flax

Flax growing is rapidly becoming an important industry in Egypt, and that most of the crops are exported to Ireland guarantees its quality, according to Ralph F. Chesbrough, former manager of the Egyptian-Syrian Department of the American Foreign Trade Corporation. Mr. Chesbrough states that flax-growing is increasing and that both European and American textile men who have seen the Egyptian product contemplate ordering some of it. (Phila. Ledger, June 3.)

Food Prices

Changes in retail food prices between April 15 and May 15 made public yesterday by the Department of Labor show that of the nine cities included in the figures St. Paul, Minn., had the largest decrease in prices, amounting to 8 per cent. Prices in Newark, N. J., declined 6 per cent, and in Philadelphia, New Haven, Conn., and Washington, 5 per cent; in New York and Norfolk, Va., 4 per cent, and in Bridgeport, Conn., and Providence, R. I., 3 per cent. (Press of June 3.)

Freight Rates

1. Shippers of lumber and of road building materials from virtually every section of the country urged in separate conferences yesterday with railroad officials at Washington the immediate reduction of freight rates on those commodities to the level in effect before the general increases of last August. (Press of June 3.)

2. The Pennsylvania Railroad Company has notified Burlington County, N. J., farmers of 100 per cent increase in tariff on their special daily fast freight into New York markets. The farmers say this makes the cost of this rail transportation prohibitive. The railroad places the blame for doubling the cost of the special train upon a heretofore overlooked order of the Interstate Commerce Commission. (N. Y. Times, June 3.)

3. "Forcing Freight to Water" is the title of an article by E. V. Wilcox, in The Country Gentlemen for June 4. Mr. Wilcox has made an intense study of the problem through a series of interviews, here summarized, with the men who have to pay the freight, and which he states "is rapidly changing the course of trade, and to an extent which is perhaps not generally recognizable." The article says, in part: "Is there a cheaper way to market? That has become the first and chief problem for every
(Cont'd on page 5)

Freight Rates (Cont'd)

shipper. The present rates come so near eating up the whole margin of profit that every man who has anything to sell has been forced to cudgel his brains to find some way of escaping a part of the transportation cost." The article concludes: "So far as the South is concerned, everything is working toward diversification and local development. Low prices, high rates, the requirements of health, economic pressure, financial considerations and common sense are all driving the southern farmer to a greater diversification and to a closer contact with nearby markets. This seems to be a case in which the easiest way is the best way."

Live Stock

Frank O. Lowden, former Governor of Illinois, was elected president of the Holstein-Friesian Association of America at its annual meeting at Syracuse, N. Y., June 2. (Philadelphia Ledger, June 3.)

Milk Marketing

1. "Oil wells vs. Milk Wells" is the title of an article by C. M. Long, in Hoard's Dairyman for June 3. An editorial in the same issue states that Mr. Long's activities in promoting "milk wells" in Pettis County, Mo., have been of great profit to the farmers of that section. So successful has he been that the Illinois Holstein Breeders' Association has sought his help in improving Holstein conditions throughout the state, In this article the author reviews the community efforts which he organized in 1917 to develop milk and sets forth the results obtained.

2. "A visit to Utica" is the title of an article, by H. H. Lyon, in Hoard's Dairyman for June 3, in which the headquarters of the New York cooperative milk marketing league is described. The author says, in connection with this organization: "As I see it now, the greatest source of trouble for the next three months is the possible, yes probable, dissatisfaction of dairymen. It is impossible to launch so large an undertaking and have everything work smoothly. If affairs are reasonably adjusted by the end of the year we may expect that the cooperative has made a very successful start and has promise of long life."

North Dakota Politics

"The New Day Wanes: Over the North Dakota Arena Rise the Smoke and Dust of Fierce Political Strife," is the title of an article by Philip S. Rose in The Country Gentlemen for June 4, which is one of a series reviewing in detail political conditions in that state. The article opens as follows: "The reason for bad government, students of politics inform us, is an indifferent citizenry. Representative government, they declare, will never be a success until every voter recognizes his civic obligations and takes an active interest in political affairs... I maintain that if these statements are true North Dakota should be well along on the highroad toward complete mastery of the art of self-government. For out there they certainly feel their civic obligations individually and collectively."